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[H.R. 3594, Higher Education Extension Act of 2015](#)

FLOOR SITUATION

On Monday, September 28, 2015, the House will consider [H.R. 3594](#), *the Higher Education Extension Act of 2015*, under suspension of the rules. H.R. 3594 was introduced on September 24, 2015 by Rep. Mike Bishop (R-MI) and was referred to the Committee on Education and the Workforce.

SUMMARY

H.R. 3594 amends the Higher Education Act of 1965 to extend for one year the authorization for the federal Perkins Loan Program, which is set to expire on September 30, 2015. The bill also extends the authorizations for two other higher education provisions, the Advisory Committee on Student Financial Assistance and the National Advisory Committee on Institutional Quality and Integrity, which also are scheduled to sunset at the end of the month. These provisions are extended to give the Committee time to move forward with a comprehensive reauthorization of the Higher Education Act.

BACKGROUND

The Federal Perkins Loan Program “authorizes the allocation of federal funds to institutions of higher education to assist them in capitalizing revolving loan funds for the purpose of making low-interest loans to students with exceptional financial need.”¹ Institutions of higher education (IHEs) that participate in the program “are required to provide matching funds equal to one-third of the federal funds they receive.”²

Under the program, loans are available to undergraduate, graduate, and professional students; however, priority must be given to students with exceptional financial need. The interest on Perkins Loans “is fixed at a rate of 5% per year, and no interest accrues prior to a student beginning repayment, nor while repayment is suspended during deferment.”³ The federal government has not added new money to institutional revolving funds since 2006, but institutions are able to disburse loans to new students as loan repayments are made to the institution. This extension simply allows

¹ See CRS Report—“[Status of the Federal Perkins Loan Program: Frequently Asked Questions](#),” March 26, 2015 at Summary.

² Id.

³ Id. at 1.

institutions to continue using their revolving funds to disburse loans to students. In academic year 2013-2014, approximately 1,500 IHEs disbursed \$1.2 billion in new Perkins Loans to approximately 539,000 students.⁴

The Advisory Committee on Student Financial Assistance was created by Congress in the Higher Education Amendments of 1986 to be an independent and bipartisan source of advice and counsel on student financial aid policy to both Congress and the Secretary of Education.⁵

The National Advisory Committee on Institutional Quality and Integrity provides recommendations to the Secretary of Education regarding matters related to postsecondary accreditation and the eligibility and certification process for higher education institutions to participate in Federal student aid programs.⁶

COST

A Congressional Budget Office (CBO) cost estimate is currently unavailable.

STAFF CONTACT

For questions or further information please contact [Jerry White](#) with the House Republican Policy Committee by email or at 5-0190.

⁴ Id.

⁵ <http://www2.ed.gov/about/bdscomm/list/acsfa/edlite-about.html>

⁶ <http://www2.ed.gov/about/bdscomm/list/naciqi.html>