

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 1911
OFFERED BY MR. TIERNEY OF MASSACHUSETTS**

Strike sections 1 and 2 of the Amendment and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Bank on Students
3 Loan Fairness Act”.

**4 SEC. 2. ADJUSTMENT OF FEDERAL DIRECT STAFFORD
5 LOAN INTEREST RATES.**

6 (a) IN GENERAL.—Section 455(b)(7) of the Higher
7 Education Act of 1965 (20 U.S.C. 1087e(b)(7)) is amend-
8 ed by adding at the end the following:

9 “(E) REDUCED RATES FOR FDSL LOANS
10 DISBURSED ON OR AFTER JULY 1, 2013, AND
11 BEFORE JULY 1, 2015.—Notwithstanding the
12 preceding paragraphs of this subsection and
13 subparagraph (A) of this paragraph, for Fed-
14 eral Direct Stafford Loans made to under-
15 graduate students for which the first disburse-
16 ment is made—

17 “(i) on or after July 1, 2013, and be-
18 fore July 1, 2014, the applicable rate of in-

1 terest shall be the primary credit rate
2 charged by the Federal Reserve banks on
3 July 1, 2013, for purposes of sections 13
4 and 13A of the Federal Reserve Act (12
5 U.S.C. 342 et seq.); and

6 “(ii) on or after July 1, 2014, and be-
7 fore July 1, 2015, the applicable rate of in-
8 terest shall be the primary credit rate
9 charged by the Federal Reserve banks on
10 July 1, 2014, for purposes of sections 13
11 and 13A of the Federal Reserve Act (12
12 U.S.C. 342 et seq.)”.

13 (b) CONFORMING AMENDMENTS.—Section
14 455(b)(7)(D) of the Higher Education Act of 1965 (20
15 U.S.C. 1087e(b)(7)(D)) is amended in the subparagraph
16 heading by striking “FDSL” and inserting “FDSL ISSUED
17 ON OR AFTER JULY 1, 2006, AND BEFORE JULY 1, 2013”.

