Proposed Changes Affecting Mandatory Spending Relative to the CBO March 2007 Baseline

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2007-2012 Total	2007-2017 Total
NOTE: The	e program change	s detailed belo	w are EACH	estimated se	parately fro	n current law:							
	in October 2007, I lower the yields			_								pasis points	for non-pro
BA	-1,905	-2,375	-2,515	-2,655	-2,780	-2,915	-3,045	-3,180	-3,315	-3,465	-3,620	-15,145	-31,770
OL	-1,905	-1,345	-2,110	-2,225	-2,335	-2,445	-2,560	-2,670	-2,785	-2,900	-3,030	-12,365	-26,310
	in July 2009, est p on consolidation							ervation pric	e of the 3-mo	onth CP + 1.	74% on reg	ular loans ar	nd a weighte
BA	the new costs		-265	-590	-790	-970	-1,105	-1,200	-1,295	-1,395	-1,505	-2,615	-9,115
OL			-150	-420	-645	-815	-955	-1,055	-1,140	-1,230	-1,325	-2,030	-7,735
Beginning 95%.	g in October 2007	, eliminate the	exceptional	lender desig	gnation. Be	ginning in 20	13 lower lend	er insurance	on guarante	ed student, p	arent, and c	onsoldiation	loans to
BA	-460	-130	-150	-180	-205	-220	-340	-350	-360	-375	-390	-1,345	-3,160
OL	-460	-75	-125	-145	-170	-185	-255	-295	-310	-325	-335	-1,160	-2,680
Beginning	in October 2007	, increase the	current lende	r origination	n fee on new	loans and ne	w consolidati	on loans from	n .50% to 1.	0%.			
BA	-295	-435	-460	-485	-510	-535	-560	-580	-605	-635	-660	-2,720	-5,760
OL	-295	-245	-390	-410	-430	-455	-475	-495	-515	-535	-560	-2,225	-4,805
Beginning	g in October 2007	, lower the gu	aranty agenc	v retention a	allowance to	16%.							
BA	-1,285	-145	-155	-165	-170	-180	-185	-190	-200	-210	-215	-2,100	-3,100
OL	-1,285	-80	-135	-140	-145	-155	-160	-165	-170	-175	-180	-1,940	-2,790
Beginning	g in October 2007	. lower guarai	ntv agency ac	count main	tenance fee	from .10% to	.06% on the	original princ	cipal balance	of outstand	ing loans.		
ВА	-1,395	-270	-285	-300	-310	-325	-340	-350	-365	-380	-400	-2,885	-4,720
OL .	-1,395	-155	-240	-250	-260	-275	-285	-300	-310	-325	-335	-2,575	-4,130
	July 2009 for all les for the Secretar	oans, change t					liminate the 2			establish an i			
BA	335	165	165	175	180	185	190	200	205	210	215	1,205	2,225
OL	335	95	140	150	155	160	165	170	175	180	185	1,035	1,910
			7										

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		(by fiscal year	r, in millions	of dollars, as	ssumes enact	ment before Oct	tober 1, 2007)						
						194-1						2007-2012	2007-201
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total	Tota
Beginning in	July 2008, lower	the borrower	interest rate	on undergr	aduate subsi	dized student	loans to 6.009	%, 5.60% in	July 2009, 4	50% in July	2010, and	3.40% in J	ulv 2011.
	July 2012 and the				!			,	,				
BA		395	925	1,650	2,670	1,275					<u> </u>	6,915	6,915
OL		230	655	1,235	2,040	1,915						6,075	6,075
Beginning i	in October 2007,	eliminate the	current cap o	f 36 month	s for deferm	ent of student	s loans for bo	rrowers serv	ing in the arr	ned forces (including n	ational guar	d) who are
on active di	uty in a combat zo	ne. In additi	on, provide a	n extra 180	days of def	erment for the	se borrowers	after demob	ilization.				
BA	25	*	*	*	*	*	*	*	*	*	nje	25	25
OL	25	*	*	*	*	*	*	*	*	*	*	25	2.5
					:								
	in October 2007, j			s of deferm	ent followin	g conclusion of	of active duty	service in a	combat zone	for borrowe	rs who wer	e reserves e	nrolled in
BA		*	*	*	* 1	*	*	*	*	*	*	*	
OL		*	*	*	*	*	*	*	*	*	*	*	
					i								
	in October 2007, loan borrowers w							litary, loan f	orgiveness f	or borrowers	s in the dire	ct loan prog	gram or for
ВА	55	-25	-15	-15	-15		-15	-15	-15	-20	-20	-30	-115
OL	55	-20	-15	-15	-15	-15	-15	-15	-15	-20	-20	-25	-110
			,										
	in July 2009, rais ancial aid officer		level at which	h students a	utomatically	y qualify for a	zero expected	family cont	ribution, cha	nge eligiblit	y for the sir	nplified nee	eds test, an
	ancial ald officer	discretion.											
BA OL			*	*	*	*	*	*	*	*	*		,
		,							35.70				
Beginning	in July 2009, char	ige the defini	tion of untax	red income	to eliminate	several items	currently trea	ted as incom	e for for nee	ds analysis o	alculations		
BA	-		5	5	5	5	5	5	5	5	5	20	4.5
OL		~~~	3	5	5	5	5	5	5	5	5	18	43

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Proposed Changes Affecting Mandatory Spending Relative to the CBO March 2007 Baseline

Extend the authorization of the Perkins loan capital contributions, which extends the date that schools must begin returning to the government their balance from their Perkins loan revolving funds from 2012 until 2013. BA		2007	2008	2009	2010	2011	ment before Oc	2013	2014	2015	2016	2017	2007-2012 Total	2007-2017 Tota
Extend the authorization of the Perkins loan capital contributions, which extends the date that schools must begin returning to the government their balance from their Perkins loan revolving funds from 2012 until 2013. BA	Beginning in .	uly 2009, rai	se dependent a	and independ	ent student	income pro	ection allowa	nces to specif	ic levels for	academic ye	ars 2009 to 2	2012 and the	en inflate aft	er 2012.
														120 105
OL					ntributions,	which exter	ds the date th	at schools mu	ist begin retu	irning to the	government	their balanc	ce from their	Perkins
Appropriate funds for mandatory increases to the Pell Grant Program. BA	BA		era una unite				453						453	453
BA 0 2,030 2,090 3,030 3,090 5,050 105 4,305 4,400 4,600 4,900 15,290 33,600 OL 0 487 2,004 2,314 3,026 3,559 3,824 1,212 4,244 4,446 4,668 11,390 29,786 Effective upon enactment, eliminate the tuition sensitivity provision in the Pell Grant Program and appropriate funds to cover the cost for academic year 2007-2008. BA 11 11 11 Appropriate funds for the Upward Bound Program. BA 57 57 57 57 57 228 228 Appropriate funds for the College Access Partnership Program. BA 56 66 132 132 Baginning academic year 2008-2009, create the TEACH Grant program, grants of \$4,000 (prorated for less-than-full-time attendance) for undergraduate and graduate students who meet certain criteria, with provisions for unsubsidized loan conversion from the disbrsement of grant for those who do not full-fill the program requirements. BA 50 80 85 90 95 95 100 100 100 100 100 400 895	OL	***					453		/				453	453
OL 0 487 2,004 2,314 3,026 3,559 3,824 1,212 4,244 4,446 4,668 11,390 29,782 Effective upon enactment, eliminate the tuition sensitivity provision in the Pell Grant Program and appropriate funds to cover the cost for academic year 2007-2008. BA 11	Appropriate fo	ands for mand	latory increase	es to the Pell	Grant Progr	am.								
OL 0 487 2,004 2,314 3,026 3,559 3,824 1,212 4,244 4,446 4,668 11,390 29,782 Effective upon enactment, eliminate the tuition sensitivity provision in the Pell Grant Program and appropriate funds to cover the cost for academic year 2007-2008. BA 11	BA	0	2,030	2,090	3,030	3.090	5.050	105	4.305	4.400	4.600	4.900	15 290	33 600
Effective upon enactment, eliminate the tuition sensitivity provision in the Pell Grant Program and appropriate funds to cover the cost for academic year 2007-2008. BA 11	OL	0												
BA 11										,	,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,	
OL 11 * 11 11 Appropriate funds for the Upward Bound Program. BA 57 57 57 57 57 228 228 OL 3 42 52 57 54 15 5 207 228 Appropriate funds for the College Access Partnership Program. BA 66 66 132 132 OL 59 66 7 132 132 Beginning academic year 2008-2009, create the TEACH Grant program, grants of \$4,000 (prorated for less-than-full-time attendance) for undergraduate and graduate students who meet certain criteria, with provisions for unsubsidized loan conversion from the disbrsement of grant for those who do not full-fill the program requirements. BA 50 80 85 90 95 95 100 100 100 100 400 895	Effective upor	enactment, e	eliminate the to	uition sensitiv	ity provisio	on in the Pe	I Grant Progra	am and appro	priate funds	to cover the	cost for acad	lemic year 2	2007-2008.	
OL 11 * 11 11 Appropriate funds for the Upward Bound Program. BA 57 57 57 57 57 228 228 OL 3 42 52 57 54 15 5 207 228 Appropriate funds for the College Access Partnership Program. BA 66 66 132 132 OL 59 66 7 132 132 Beginning academic year 2008-2009, create the TEACH Grant program, grants of \$4,000 (prorated for less-than-full-time attendance) for undergraduate and graduate students who meet certain criteria, with provisions for unsubsidized loan conversion from the disbrsement of grant for those who do not full-fill the program requirements. BA 50 80 85 90 95 95 100 100 100 100 400 895	DA		11											
Appropriate funds for the Upward Bound Program. BA 57 57 57 57 57 228 228 OL 3 42 52 57 54 15 5 207 228 Appropriate funds for the College Access Partnership Program. BA 66 66 132 132 OL 59 66 7 132 132 Beginning academic year 2008-2009, create the TEACH Grant program, grants of \$4,000 (prorated for less-than-full-time attendance) for undergraduate and graduate students who meet certain criteria, with provisions for unsubsidized loan conversion from the disbrsement of grant for those who do not full-fill the program requirements. BA 50 80 85 90 95 95 100 100 100 100 400 895				*		1								
BA 57 57 57 57 57 57 57 57 57 57 59 50 50 50 50 50 50 50 50 50 50 50 50 50	OL		11							80			11	11
OL 3 42 52 57 54 15 5 207 228 Appropriate funds for the College Access Partnership Program. BA 66 66 132 132 OL 59 66 7 132 132 Beginning academic year 2008-2009, create the TEACH Grant program, grants of \$4,000 (prorated for less-than-full-time attendance) for undergraduate and graduate students who meet certain criteria, with provisions for unsubsidized loan conversion from the disbrsement of grant for those who do not full-fill the program requirements. BA 50 80 85 90 95 95 100 100 100 100 400 895	Appropriate fi	inds for the U	pward Bound	Program.		.								5 B
Appropriate funds for the College Access Partnership Program. BA 66 66 132 132 OL 59 66 7 132 132 Beginning academic year 2008-2009, create the TEACH Grant program, grants of \$4,000 (prorated for less-than-full-time attendance) for undergraduate and graduate students who meet certain criteria, with provisions for unsubsidized loan conversion from the disbrsement of grant for those who do not full-fill the program requirements. BA 50 80 85 90 95 95 100 100 100 100 400 895	BA		57	57	57	57		44 Sec. 40.				***	228	228
BA 66 66 132 132 OL 59 66 7 132 132 Beginning academic year 2008-2009, create the TEACH Grant program, grants of \$4,000 (prorated for less-than-full-time attendance) for undergraduate and graduate students who meet certain criteria, with provisions for unsubsidized loan conversion from the disbrsement of grant for those who do not full-fill the program requirements. BA 50 80 85 90 95 95 100 100 100 100 400 895	OL .		3	42	52	57	54	15	5				207	228
OL 59 66 7 132 132 Beginning academic year 2008-2009, create the TEACH Grant program, grants of \$4,000 (prorated for less-than-full-time attendance) for undergraduate and graduate students who meet certain criteria, with provisions for unsubsidized loan conversion from the disbrsement of grant for those who do not full-fill the program requirements. BA 50 80 85 90 95 95 100 100 100 100 400 895	Appropriate fi	ınds for the C	College Access	Partnership !	Program.									
OL 59 66 7 132 132 Beginning academic year 2008-2009, create the TEACH Grant program, grants of \$4,000 (prorated for less-than-full-time attendance) for undergraduate and graduate students who meet certain criteria, with provisions for unsubsidized loan conversion from the disbrsement of grant for those who do not full-fill the program requirements. BA 50 80 85 90 95 95 100 100 100 100 400 895	BA		66	66				-	67 m to		-		132	132
Beginning academic year 2008-2009, create the TEACH Grant program, grants of \$4,000 (prorated for less-than-full-time attendance) for undergraduate and graduate students who meet certain criteria, with provisions for unsubsidized loan conversion from the disbrsement of grant for those who do not full-fill the program requirements. BA 50 80 85 90 95 95 100 100 100 100 400 895											~~~			
													and graduate	
	BA	-	50	80	85	90	95	95	100	100	100	100	400	895
	OL.			55		85		95						815

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Proposed Changes Affecting Mandatory Spending Relative to the CBO March 2007 Baseline

					1							2007-2012	2007-2017
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total	Total
					1								
Appropriat	e funds for Invest	ment in HBCI	Js and MSIs	-	;								
BA		255	255	nh art 200	-							510	510
OL		13	102	179	153	64		***				510	510
Net progra	mmatic interacti	ons among a	ll program	changes lis	ted above.								
BA	35	25	185	385	505	585	700	735	795	870	935	1,720	5,755
OL	35	20	122	270	410	500	585	650	705	760	810	1,357	4,867
TOTAL CH	ANGES-Includin	g Programmat	ič Interaction	18									
BA	-4,890	-326	-12	1,007	1,832	2,503	-4,480	-505	-635	-680	-640	114	-6,826
O	-4,890	-992	28	691	1,941	2,470	-1	-2,843	-1	-4	-2	-752	-3,603
								7					

^{*.} Minimal federal costs.