

Statutory Language:

SEC. 1122. STUDY AND REPORT ON NONINDIVIDUAL INFORMATION.

(a) Definitions- In this section:

(1) HISTORICALLY BLACK COLLEGE OR UNIVERSITY- The term `historically Black college or university' has the meaning given the term `part B institution' in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1061).

(2) TRUTH IN LENDING ACT- The terms `covered educational institution' and `private education loan' have the meanings given the terms in section 140 of the Truth in Lending Act, as added by title X.

(b) Study- The Comptroller General of the United States shall conduct a study--

(1) on the impact on and benefits to borrowers of the inclusion of nonindividual factors, including cohort default rate, accreditation, and graduation rate at institutions of higher education, used in the underwriting criteria to determine the pricing of private education loans;

(2) to examine whether and to what extent the inclusion of such nonindividual factors--

(A) increases access to private education loans for borrowers who lack credit history or results in less favorable rates for such borrowers; and

(B) affects the types of private education loan products and rates available at certain institutions of higher education, including a comparison of such impact--

(i) on private and public institutions; and

(ii) on historically Black colleges and universities and institutions of higher education; and

(3) to assess the extent to which the use of such nonindividual factors in underwriting may have a disparate impact on the pricing of private education loans, based on gender, race, income level, and covered educational institution.

(c) Report- Not later than one year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Financial Services of the House of Representatives on the results of the study required by this section.