

Statutory Language:

SEC. 1123. FEASIBILITY STUDY FOR STUDENT LOAN CLEARINGHOUSE.

(a) In General- Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study of the feasibility of developing a national student loan clearinghouse on the website of the Department of Education that would provide for one or more of the following:

(1) A registry of real-time information on Federal student loans (including loans under parts B and D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq. and 1087a et seq.) and private education loans (as defined in section 140 of the Truth in Lending Act)), for both undergraduate and graduate students, and parents of students, for use by prospective borrowers or any person desiring information regarding available interest rates, fees, and other terms from lenders.

(2) A mechanism whereby prospective borrowers could be matched with lenders that offer highly competitive products and loan servicing quality, including any procedures and safeguards necessary to minimize potentially adverse effects of multiple inquiries into participating borrowers' credit histories recorded by consumer reporting agencies.

(3) Options concerning the establishment and ongoing maintenance of such a system, including whether such a system should be operated by one or more entities, and methods to finance such a system at no or minimal cost to consumers and the Government.

(4) Other features that could help prospective borrowers make informed decisions in selecting lenders from whom to obtain Federal and private education loans.

(b) Consultation- In conducting the study under subsection (a), the Comptroller General of the United States shall consult with--

- (1) the Secretary of Education;
- (2) the Federal Trade Commission;
- (3) representatives of student loan borrowers;
- (4) representatives from institutions of higher education, including financial aid administrators, registrars, business officers, and student affairs officials;
- (5) Federal and private educational lenders (as defined in section 140 of the Truth in Lending Act), loan servicers, and guaranty agencies; and
- (6) other appropriate entities with relevant experience.

(c) Report- Not later than two years after the date of enactment of this Act, the Comptroller General of the United States shall submit to the authorizing committees a report on the study conducted under subsection (a).