

not consolidate loans under such section during the period beginning October 1, 1998, and ending February 1, 1999, unless the borrower certifies that the borrower has no outstanding loans made, insured, or guaranteed under title IV of such Act [20 U.S.C. 1070 et seq.] other than loans made under part D of such title [this part].”

§ 1087f. Contracts

(a) Contracts for supplies and services

(1) In general

The Secretary shall, to the extent practicable, award contracts for origination, servicing, and collection described in subsection (b). In awarding such contracts, the Secretary shall ensure that such services and supplies are provided at competitive prices.

(2) Entities

The entities with which the Secretary may enter into contracts shall include only entities which the Secretary determines are qualified to provide such services and supplies and will comply with the procedures applicable to the award of such contracts. In the case of awarding contracts for the origination, servicing, and collection of loans under this part, the Secretary shall enter into contracts only with entities that have extensive and relevant experience and demonstrated effectiveness. The entities with which the Secretary may enter into such contracts shall include, where practicable, agencies with agreements with the Secretary under sections 1078(b) and (c) of this title, if such agencies meet the qualifications as determined by the Secretary under this subsection and if those agencies have such experience and demonstrated effectiveness. In awarding contracts to such State agencies, the Secretary shall, to the extent practicable and consistent with the purposes of this part, give special consideration to State agencies with a history of high quality performance to perform services for institutions of higher education within their State.

(3) Rule of construction

Nothing in this section shall be construed as a limitation of the authority of any State agency to enter into an agreement for the purposes of this section as a member of a consortium of State agencies.

(b) Contracts for origination, servicing, and data systems

The Secretary may enter into contracts for—

(1) the alternative origination of loans to students attending institutions of higher education with agreements to participate in the program under this part (or their parents), if such institutions do not have agreements with the Secretary under section 1087d(b) of this title;

(2) the servicing and collection of loans made or purchased under this part;

(3) the establishment and operation of 1 or more data systems for the maintenance of records on all loans made or purchased under this part; and

(4) such other aspects of the direct student loan program as the Secretary determines are necessary to ensure the successful operation of the program.

(Pub. L. 89-329, title IV, § 456, as added Pub. L. 102-325, title IV, § 451, July 23, 1992, 106 Stat. 572; amended Pub. L. 103-66, title IV, § 4021, Aug. 10, 1993, 107 Stat. 352; Pub. L. 105-244, title IV, § 453, Oct. 7, 1998, 112 Stat. 1717; Pub. L. 110-227, § 7(c), May 7, 2008, 122 Stat. 747; Pub. L. 111-152, title II, § 2212(a), Mar. 30, 2010, 124 Stat. 1078; Pub. L. 113-67, div. A, title V, § 502(1), Dec. 26, 2013, 127 Stat. 1187.)

AMENDMENTS

2013—Subsec. (a)(4). Pub. L. 113-67, § 502(1)(A), struck out par. (4) which related to servicing by eligible not-for-profit servicers.

Subsec. (c). Pub. L. 113-67, § 502(1)(B), struck out subsec. (c) which defined eligible not-for-profit servicer for purposes of this section.

2010—Subsec. (a)(4). Pub. L. 111-152, § 2212(a)(1)(A), added par. (4).

Subsec. (c). Pub. L. 111-152, § 2212(a)(2), added subsec. (c).

2008—Subsec. (b)(2), (3). Pub. L. 110-227 inserted “or purchased” after “loans made”.

1998—Subsec. (b)(3). Pub. L. 105-244, § 453(1), inserted “and” after semicolon.

Subsec. (b)(4), (5). Pub. L. 105-244, § 453(2), (3), redesignated par. (5) as (4) and struck out former par. (4) which read as follows: “services to assist in the orderly transition from the loan programs under part B of this subchapter to the direct student loan program under this part; and”.

1993—Pub. L. 103-66 amended section generally, substituting provisions relating to contracts for former provisions relating to terms and conditions.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105-244, see section 3 of Pub. L. 105-244, set out as a note under section 1001 of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1992, see section 2 of Pub. L. 102-325, set out as an Effective Date of 1992 Amendment note under section 1001 of this title.

§ 1087g. Repealed. Pub. L. 111-39, title IV, § 404(b)(3), July 1, 2009, 123 Stat. 1946

Section, Pub. L. 89-329, title IV, § 457, as added Pub. L. 102-325, title IV, § 451, July 23, 1992, 106 Stat. 572; amended Pub. L. 103-66, title IV, § 4021, Aug. 10, 1993, 107 Stat. 352, related to regulatory activities associated with implementation of the first year of the direct student loan program authorized by part D, including establishment of closing date for applications not later than Oct. 1, 1993, and publication of list of selected institutions not later than Jan. 1, 1994.

EFFECTIVE DATE OF REPEAL

Repeal effective as if enacted on the date of enactment of Pub. L. 110-315 (Aug. 14, 2008), see section 3 of Pub. L. 111-39, set out as an Effective Date of 2009 Amendment note under section 1001 of this title.

§ 1087h. Funds for administrative expenses

(a) Administrative expenses

(1) Mandatory funds for fiscal year 2006

For fiscal year 2006, there shall be available to the Secretary, from funds not otherwise appropriated, funds to be obligated for—

(A) administrative costs under this part and part B, including the costs of the direct student loan programs under this part; and

(B) account maintenance fees payable to guaranty agencies under part B and cal-