

reached during the negotiations process is maintained.

(c) Applicability of Federal Advisory Committee Act

The Federal Advisory Committee Act shall not apply to activities carried out under this section.

(d) Authorization of appropriations

There are authorized to be appropriated in any fiscal year or made available from funds appropriated to carry out this part in any fiscal year such sums as may be necessary to carry out the provisions of this section, except that if no funds are appropriated pursuant to this subsection, the Secretary shall make funds available to carry out this section from amounts appropriated for the operations and expenses of the Department of Education.

(Pub. L. 89-329, title IV, § 492, as added Pub. L. 102-325, title IV, § 497, July 23, 1992, 106 Stat. 633; amended Pub. L. 105-244, title IV, § 490D, Oct. 7, 1998, 112 Stat. 1755; Pub. L. 110-315, title IV, § 494D, Aug. 14, 2008, 122 Stat. 3324; Pub. L. 111-39, title IV, § 407(b)(12), July 1, 2009, 123 Stat. 1953.)

Editorial Notes

REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (c), is Pub. L. 92-463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS

2009—Subsec. (a)(1). Pub. L. 111-39, § 407(b)(12)(A), substituted “regulations for this subchapter. The” for “regulations for parts B, G, and H of this subchapter. The”.

Subsec. (a)(2). Pub. L. 111-39, § 407(b)(12)(B), substituted “The Secretary shall provide” for text from beginning of par. (2) through “provide”, resulting in text identical to that after execution of the amendment by Pub. L. 105-244, § 490D(a)(2)(A). See 1998 Amendment note below.

2008—Subsec. (a)(1). Pub. L. 110-315, § 494D(a)(1), inserted “State student grant agencies,” after “institutions of higher education.”.

Subsec. (a)(2). Pub. L. 110-315, § 494D(a)(2), struck out “, as amended by the Higher Education Amendments of 1998” before “through such mechanisms”.

Subsec. (b)(1). Pub. L. 110-315, § 494D(b), struck out “as amended by the Higher Education Amendments of 1998” before “and shall submit”, substituted “The Secretary” for “To the extent possible, the Secretary”, and inserted “with demonstrated expertise or experience in the relevant subjects under negotiation,” after “select individuals”.

1998—Subsec. (a)(1). Pub. L. 105-244, § 490D(a)(1)(C), substituted “The Secretary shall obtain the advice of and recommendations from” for “Such meetings shall include”.

Pub. L. 105-244, § 490D(a)(1)(B), which directed the substitution of “this subchapter;” for “parts B, G, and H of this subchapter;”, could not be executed because “parts B, G, and H of this subchapter,” does not appear in text.

Pub. L. 105-244, § 490D(a)(1)(A), struck out “convene regional meetings to” before “obtain public involvement”.

Subsec. (a)(2). Pub. L. 105-244, § 490D(a)(2)(B)-(D), substituted “this subchapter” for “parts B, G, and H”, “1998 through such mechanisms as regional meetings and electronic exchanges of information” for “1992”, and “through such mechanisms in” for “at such meetings in”.

Pub. L. 105-244, § 490D(a)(2)(A), which directed substitution of “The” for “During such meetings the”, was executed by making the substitution for “During such meetings, the” before “Secretary shall provide”, to reflect the probable intent of Congress.

Subsec. (b). Pub. L. 105-244, § 490D(b), designated existing provisions as par. (1), inserted par. (1) heading, substituted “obtaining the advice and recommendations described in subsection (a)(1)” for “holding regional meetings”, “this subchapter” for “parts B, G, and H of this subchapter”, “1998” for “1992”, “360-day” for “240-day”, and “section 1232(e)” for “section 1232(g)”, struck out “The Secretary shall follow the guidance provided in sections 305.82-4 and 305.85-5 of chapter 1, Code of Federal Regulations, and any successor recommendation, regulation, or law.” after “rulemaking process.” and “participating in the regional meetings” after “nominated by groups”, and added par. (2).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111-39 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 a note under section 1001 of this title.

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.

INAPPLICABILITY OF MASTER CALENDAR AND NEGOTIATED RULEMAKING REQUIREMENTS

This section inapplicable to amendment made by section 100302(a) of Pub. L. 112-141 or to any regulations promulgated under such amendment, see section 100302(b) of Pub. L. 112-141, set out as a note under section 1089 of this title.

This section inapplicable to amendments made by section 309 of Pub. L. 112-74 or to any regulations promulgated under such amendments, see section 309(h) of Pub. L. 112-74, set out as a note under section 1089 of this title.

This section inapplicable to amendments made by title V of Pub. L. 112-25 or to any regulations promulgated under such amendments, see section 504 of Pub. L. 112-25, set out as a note under section 1089 of this title.

This section inapplicable to amendments made by section 1860(a)(2) of Pub. L. 112-10 or to any regulations promulgated under such amendments, see section 1860(c) of Pub. L. 112-10, set out as a note under section 1089 of this title.

This section inapplicable to amendments made by title IV of Pub. L. 111-39 or to any regulations promulgated under such amendments, see section 409 of Pub. L. 111-39, set out as a note under section 1089 of this title.

This section inapplicable to amendments made by section 402(a) of Pub. L. 110-315 or to any regulations promulgated under such amendments, see section 402(b) of Pub. L. 110-315, set out as a note under section 1089 of this title.

This section inapplicable to amendments made by Pub. L. 110-227 or to any regulations promulgated under such amendments, see section 11 of Pub. L. 110-227, set out as a note under section 1089 of this title.

§ 1098b. Authorization of appropriations for administrative expenses

There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and for each succeeding fiscal year thereafter for administrative expenses necessary for carrying out this subchapter, including expenses

for staff personnel, program reviews, and compliance activities.

(Pub. L. 89-329, title IV, § 493, as added Pub. L. 102-325, title IV, § 497, July 23, 1992, 106 Stat. 634.)

§ 1098c. Repealed. Pub. L. 110-315, title IV, § 494E, Aug. 14, 2008, 122 Stat. 3324

Section, Pub. L. 89-329, title IV, § 493A, as added Pub. L. 105-244, title IV, § 490E, Oct. 7, 1998, 112 Stat. 1756, related to Year 2000 requirements at the Department of Education.

§ 1098d. Procedures for cancellations and deferments for eligible disabled veterans

The Secretary, in consultation with the Secretary of Veterans Affairs, shall develop and implement a procedure to permit Department of Veterans Affairs physicians to provide the certifications and affidavits needed to enable disabled veterans enrolled in the Department of Veterans Affairs health care system to document such veterans' eligibility for deferments or cancellations of student loans made, insured, or guaranteed under this subchapter. Not later than 6 months after October 7, 1998, the Secretary and the Secretary of Veterans Affairs jointly shall report to Congress on the progress made in developing and implementing the procedure.

(Pub. L. 89-329, title IV, § 493B, as added Pub. L. 105-244, title IV, § 490F, Oct. 7, 1998, 112 Stat. 1758.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

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

§ 1098e. Income-based repayment

(a) Definitions

In this section:

(1) Excepted PLUS loan

The term "excepted PLUS loan" means a loan under section 1078-2 of this title, or a Federal Direct PLUS Loan, that is made, insured, or guaranteed on behalf of a dependent student.

(2) Excepted consolidation loan

The term "excepted consolidation loan" means a consolidation loan under section 1078-3 of this title, or a Federal Direct Consolidation Loan, if the proceeds of such loan were used to the discharge the liability on an excepted PLUS loan.

(3) Partial financial hardship

The term "partial financial hardship", when used with respect to a borrower, means that for such borrower—

(A) the annual amount due on the total amount of loans made, insured, or guaranteed under part B or D (other than an excepted PLUS loan or excepted consolidation loan) to a borrower as calculated under the standard repayment plan under section 1078(b)(9)(A)(i) or 1087e(d)(1)(A) of this title, based on a 10-year repayment period; exceeds

(B) 15 percent of the result obtained by calculating, on at least an annual basis, the amount by which—

(i) the borrower's, and the borrower's spouse's (if applicable), adjusted gross income; exceeds

(ii) 150 percent of the poverty line applicable to the borrower's family size as determined under section 9902(2) of title 42.

(b) Income-based repayment program authorized

Notwithstanding any other provision of this chapter, the Secretary shall carry out a program under which—

(1) a borrower of any loan made, insured, or guaranteed under part B or D (other than an excepted PLUS loan or excepted consolidation loan) who has a partial financial hardship (whether or not the borrower's loan has been submitted to a guaranty agency for default aversion or had been in default) may elect, during any period the borrower has the partial financial hardship, to have the borrower's aggregate monthly payment for all such loans not exceed the result described in subsection (a)(3)(B) divided by 12;

(2) the holder of such a loan shall apply the borrower's monthly payment under this subsection first toward interest due on the loan, next toward any fees due on the loan, and then toward the principal of the loan;

(3) any interest due and not paid under paragraph (2)—

(A) shall, on subsidized loans, be paid by the Secretary for a period of not more than 3 years after the date of the borrower's election under paragraph (1), except that such period shall not include any period during which the borrower is in deferment due to an economic hardship described in section 1085(o) of this title; and

(B) be capitalized—

(i) in the case of a subsidized loan, subject to subparagraph (A), at the time the borrower—

(I) ends the election to make income-based repayment under this subsection; or

(II) begins making payments of not less than the amount specified in paragraph (6)(A); or

(ii) in the case of an unsubsidized loan, at the time the borrower—

(I) ends the election to make income-based repayment under this subsection; or

(II) begins making payments of not less than the amount specified in paragraph (6)(A);

(4) any principal due and not paid under paragraph (2) shall be deferred;

(5) the amount of time the borrower makes monthly payments under paragraph (1) may exceed 10 years;

(6) if the borrower no longer has a partial financial hardship or no longer wishes to continue the election under this subsection, then—

(A) the maximum monthly payment required to be paid for all loans made to the