

Index Modifications ("Market Based Solutions")

Bill/Proposal & Loan Type	Rate Type	Index	Spread	Interest Rate (Based on May 8 10-Year Yield)	Interest Rate (Based on Current 10-Year Yield)**	Individual Loan Rate Cap	Federal Costs
Bipartisan Senate Proposal 3.0 (Discussed 7/17 at Oval Office)							
Bipartisan Senate Subsidized Stafford	Fixed, Variable	10-yr Treasury	2.05	3.86	4.6	Y--8.25	Savings-\$715M
Bipartisan Senate Unsubsidized Stafford Undergrad	Fixed, Variable	10-yr Treasury	2.05	3.86	4.6	Y--9.5	
Bipartisan Senate Unsubsidized Stafford Grad	Fixed, Variable	10-yr Treasury	3.6	5.41	6.15	Y--10.5	
Bipartisan Senate PLUS	Fixed, Variable	10-yr Treasury	4.6	6.41	7.15	Y--10.5	
Bipartisan Senate Proposal 2.0 (Never Introduced)							
Bipartisan Senate Subsidized Stafford	Fixed, Variable	10-yr Treasury	1.8	3.61	4.35	Y--8.25	Cost-\$22B
Bipartisan Senate Unsubsidized Stafford Undergrad	Fixed, Variable	10-yr Treasury	1.8	3.61	4.35	Y--9.25 (?)	
Bipartisan Senate Unsubsidized Stafford Grad	Fixed, Variable	10-yr Treasury	3.8	5.61	6.35	Y (cap # unknown)	
Bipartisan Senate PLUS	Fixed, Variable	10-yr Treasury	4.5	6.31	7.05	Y (cap # unknown)	
Bipartisan Senate Proposal 1.0 (S. 1238, Manchin-Burr)							
Bipartisan Senate Subsidized Stafford	Fixed, Variable	10-yr Treasury	1.85	3.66	4.4	N	Savings-roughly \$1B
Bipartisan Senate Unsubsidized Stafford Undergrad	Fixed, Variable	10-yr Treasury	1.85	3.66	4.4	N	
Bipartisan Senate Unsubsidized Stafford Grad	Fixed, Variable	10-yr Treasury	3.4	5.21	5.95	N	
Bipartisan Senate PLUS	Fixed, Variable	10-yr Treasury	4.4	6.21	6.95	N	
Senate Republican Proposal, (S. 682, Alexander-Burr-Coburn)							
Senate GOP Subsidized Stafford	Fixed, Variable	10-yr Treasury	3.00	4.81	5.55	N	Savings
Senate GOP Unsubsidized Stafford	Fixed, Variable	10-yr Treasury	3.00	4.81	5.55	N	
Senate GOP PLUS	Fixed, Variable	10-yr Treasury	3.00	4.81	5.55	N	
House Republican Proposal, (H.R. 1911, Kline-Foxx)							
House GOP Subsidized Stafford	Variable	10-yr Treasury	2.50	4.31	5.05	Y-8.5	Savings
House GOP Unsubsidized Stafford	Variable	10-yr Treasury	2.50	4.31	5.05	Y-8.5	
House GOP PLUS	Variable	10-yr Treasury	4.50	6.31	7.05	Y-10.5	
President Obama's FY 14 Budget Proposal							
President Subsidized Stafford	Fixed, Variable	10-yr Treasury	0.93	2.74	3.48	N	Savings
President Unsubsidized Stafford	Fixed, Variable	10-yr Treasury	2.93	4.74	5.48	N	
President PLUS	Fixed, Variable	10-yr Treasury	3.93	5.74	6.48	N	

****Assumes 10-Year Treasury Projection of 2.55%, the yield for July 16**