

Department of Education
COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT
Fiscal Year 2016 Budget Request

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COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses to carry out activities related to existing facility loans pursuant to section 121 of the Higher Education Act of 1965, \$450,000.¹ (*Department of Education Appropriations Act, 2015.*)

NOTES

Each language provision that is followed by a footnote reference is explained in the Analysis of Language Provisions and Changes document which follows the appropriation language.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

Analysis of Language Provisions and Changes

Language Provision	Explanation
<p>¹ For Federal administrative expenses to carry out activities related to existing facility loans pursuant to section 121 of the Higher Education Act of 1965, \$450,000.</p>	<p>In accordance with the Federal Credit Reform Act of 1990, this language appropriates funds to service existing facilities loans obligations. Section 121 of the Higher Education Act extends the legal requirements of the program authorities, which have expired.</p>

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

Amounts Available for Obligation
(dollars in thousands)

Appropriation and Adjustments	2014	2015	2016
Discretionary:			
Appropriation	\$435	\$435	\$450
Mandatory			
Appropriation	<u>47</u>	<u>0</u>	<u>0</u>
Total, discretionary and mandatory appropriation.....	482	435	450

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

Authorizing Legislation
(dollars in thousands)

Activity	2015 Authorized	2015 Estimate	2016 Authorized	2016 Request
Federal administration (<i>Federal Credit Reform Act of 1990, section 505(e) and Higher Education Act, section 212</i>)	Indefinite	\$435	Indefinite	\$450
Reestimate of existing loan subsidies (Federal Credit Reform Act of 1990, section 504 (f)) (Mandatory)	<u>Indefinite</u>	<u>0</u>	<u>Indefinite</u>	<u>0</u>
Total definite authorization				
Total discretionary appropriation		435		450
Total mandatory appropriation		0		0

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

Appropriations History (dollars in thousands)

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
2007	\$486	N/A ¹	N/A ¹	\$571
2008	481	\$481	\$481	473
2009	461	461 ²	461 ²	461
2010	461	461	461 ³	461
2011	461	461 ⁴	461 ³	460 ⁵
2012	478	460 ⁶	460 ⁶	459
2013	459	459 ⁷	459 ⁷	435
2014	435	N/A ⁸	435 ³	435
2015	435	N/A ⁸	435 ⁹	435
2016	450			

¹ This account operated under a full-year continuing resolution (P.L. 110-5). House and Senate allowance amounts are shown as N/A (Not Available) because neither body passed a separate appropriations bill.

² The levels for the House and Senate reflect action on the regular annual 2009 appropriations bill, which proceeded in the 110th Congress only through the House Subcommittee and the Senate Committee.

³ The level for the Senate allowance reflects Committee action only.

⁴ The level for the House allowance reflects the House-passed full-year continuing resolution.

⁵ The level for appropriation reflects the Department of Defense and Full-Year Continuing Appropriations Act 2011 (P.L. 112-10).

⁶ The level for the House allowance reflects an introduced bill; the level for the Senate allowance reflects Senate Committee action only.

⁷ The level for the House and Senate allowances reflect action on the regular annual 2013 appropriations bill, which proceeded in the 112th Congress only through the House Subcommittee and the Senate Committee.

⁸ The House allowance is shown as N/A because there was no Subcommittee action.

⁹ The level for the Senate allowance reflects Senate Subcommittee action only.

Federal administration

(Federal Credit Reform Act of 1990, section 505(e) and Higher Education Act, section 121)

(dollars in thousands)

FY 2016 Authorization: Indefinite

Budget Authority:

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

	<u>2015</u>	<u>2016</u>	<u>Change</u>
Personnel costs	\$314	\$321	+\$7
Non-personnel costs	<u>121</u>	<u>129</u>	<u>+8</u>
Total	435	450	+15
Full-time equivalent	3	3	0

PROGRAM DESCRIPTION

Funds for this activity pay the Federal costs of administering the College Housing and Academic Facilities Loans (CHAFL), College Housing Loans (CHL), and Higher Education Facilities Loans (HEFL) programs. Prior to fiscal year 1994, these programs provided financing for the construction, reconstruction, and renovation of housing, academic, and other educational facilities. Although no new loans have been awarded since fiscal year 1993, costs for administering the outstanding loans will continue through fiscal year 2030.

The major administrative costs for these programs are the personnel compensation and benefits for full-time equivalent employees (FTE). The FTE funded through this account are responsible for the day-to-day administration of the CHAFL, CHL, and HEFL programs. The non-personnel costs include administrative overhead, and loan servicing. In accordance with Federal Credit Reform requirements, loan servicing costs for CHL and HEFL are paid from their respective collections.

Funding levels for the past 5 fiscal years were:

	(dollars in thousands)
2011	\$460
2012	459
2013	435
2014	435
2015	435

FY 2016 BUDGET REQUEST

For fiscal year 2016, the Administration requests \$450,000 for Federal administration of the facilities loans programs. Between 1950 and 1993, the College Housing Loans, Higher Education Facilities Loans, and College Housing and Academic Facilities Loans programs helped to ensure that postsecondary institutions were able to make the capital improvements they needed to maintain and increase their ability to provide a high-quality education. Since 1994, no new loans have been made, and the Department's role has been to manage the outstanding loans.

For presentation purposes, the full-time equivalent employees (FTE) and administrative costs associated with this account are also included under the justification materials in the **Salaries and Expenses Overview**.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

PROGRAM OUTPUT MEASURES (dollars in thousands)

<u>Measures</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
College Housing and Academic Facilities Loans (CHAFL):			
_Number of outstanding loans	30	30	30
_Outstanding principal	\$34,111	\$32,982	\$30,124
College Housing Loans (CHL):			
_Number of outstanding loans	114	105	93
_Outstanding principal	\$46,686	\$42,054	\$35,320
Higher Education Facilities Loans (HEFL):			
_Number of outstanding loans	3	3	3
_Outstanding principal	\$6,754	\$5,925	\$5,159
Total number of outstanding loans	147	138	126
Total outstanding principal	\$87,551	\$77,961	\$70,603