

EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

April 1, 2003 (House)

STATEMENT OF ADMINISTRATION POLICY

(This statement has been coordinated by omb with the concerned agencies.)

H.R. 1412 – Higher Education Relief Opportunities for Students Act

(Rep. Kline (R) MN and 22 cosponsors)

The Administration supports House passage of H.R. 1412, the Higher Education Relief Opportunities for Students Act of 2003. The bill would provide the Secretary of Education with temporary authority to waive specific provisions applicable to the student financial assistance programs to extend relief to students and borrowers serving on active military duty or certain individuals otherwise adversely affected by a war or other military operation or national emergency.

Pay-As-You-Go Scoring

The provisions of the bill would grant the Secretary new authorities which if exercised may result in an increase in mandatory spending. An official cost estimate is still under development. The Budget Enforcement Act's pay-as-you-go requirements and discretionary spending caps expired on September 30, 2002. The Administration supports the extension of these budget enforcement mechanisms in a manner that ensures fiscal discipline and is consistent with the President's budget.

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