To amend the Higher Education Act of 1965 to provide deferments and interest payments for borrowers of student loans who are called to active duty.

IN THE HOUSE OF REPRESENTATIVES
MARCH 10, 2003

Mr. Ryan of Ohio (for himself, Mr. Acevedo-Vilá, Mr. Brown of Ohio, Mr. Chabot, Mr. Etheridge, Mr. Farr, Mr. Ford, Mr. Frank of Massachusetts, Mr. Frosts, Mr. Holden, Mr. Inslee, Mrs. Jones of Ohio, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Kildee, Mr. LaTourette, Mrs. McCarthy of New York, Mr. McGovern, Mrs. Maloney, Mr. George Miller of California, Mr. Owens, Mr. Reyes, Mr. Serrano, Mr. Simmons, and Mr. Smith of Washington) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL
To amend the Higher Education Act of 1965 to provide deferments and interest payments for borrowers of student loans who are called to active duty.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Active Reservists and National Guard Student Loan Relief Act of 2003”.

SEC. 2. DEFERMENT DURING ACTIVE DUTY.

(a) FFEL AND DIRECT SUBIDIZED LOANS.—Section 428(b)(1)(M) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)(1)(M)) is amended—

(1) by striking “or” at the end of clause (ii);

(2) by inserting “or” after the semicolon at the end of clause (iii); and

(3) by inserting after clause (iii) the following new clause:

“(iv) not in excess of 3 years during which the borrower—

“(I) is on active duty under section 688, 12301(a), 12301(g), 12302, 12304, 12306, or 12406, or chapter 15 of title 10, United States Code, or any other provision of law during a war or during a national emergency declared by the President or Congress, regardless of the location at which such active duty service is performed; or

“(II) in the case of a member of the National Guard, is on full-time National Guard duty (as defined in section 101(d)(5) of title 10, United States Code) under a call to active
service authorized by the President or
the Secretary of Defense for a period
of more than 30 consecutive days
under section 502(f) of title 32,
United States Code, for purposes of
responding to a national emergency
declared by the President and sup-
ported by Federal funds.”.

(b) PERKINS LOANS.—Section 464(c)(2)(A) of such
Act (20 U.S.C. 1087dd(c)(2)(A)) is amended—

(1) by striking “or” at the end of clause (iii);
(2) by inserting “or” after the semicolon at the
end of clause (iv); and
(3) by inserting after clause (iii) the following
new clause:

“(v) not in excess of 3 years during
which the borrower—

“(I) is on active duty under sec-
tion 688, 12301(a), 12301(g), 12302,
12304, 12306, or 12406, or chapter
15 of title 10, United States Code, or
any other provision of law during a
war or during a national emergency
declared by the President or Congress,

regardless of the location at which
such active duty service is performed;

or

“(II) in the case of a member of
the National Guard, is on full-time
National Guard duty (as defined in
section 101(d)(5) of title 10, United
States Code) under a call to active
service authorized by the President or
the Secretary of Defense for a period
of more than 30 consecutive days
under section 502(f) of title 32,
United States Code, for purposes of
responding to a national emergency
declared by the President and sup-
ported by Federal funds.”.

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall apply with
respect to loans for which the first disbursement is made
on or after July 1, 1993, to an individual who is a new
borrower (within the meaning of section 103 of the Higher
Education Act of 1965 (20 U.S.C. 1003)) on the date
such individual applies for a loan.