To allow members of the Armed Forces and National Guard to defer principal on Federal student loans for a certain period in connection with receipt of orders for mobilization for war or national emergency, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 21, 2013

Mr. Tester (for himself, Mr. Blumenthal, and Mr. Baucus) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To allow members of the Armed Forces and National Guard to defer principal on Federal student loans for a certain period in connection with receipt of orders for mobilization for war or national emergency, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Service Members Stu-
5 dent Loan Relief Act”.

SEC. 2. DEFERRAL FOR CERTAIN PERIOD IN CONNECTION
WITH RECEIPT OF ORDERS FOR MOBILIZATION FOR WAR OR NATIONAL EMERGENCY.


(1) in the matter preceding clause (i), by striking “, during any period”;

(2) in clause (i), by striking “during which” and inserting “during any period during which”;

(3) in clause (ii), by striking “during which” and inserting “during any period during which”;

(4) in clause (iii)—

(A) by striking “during which” and inserting “during any period during which”; and

(B) in the matter following subclause (II), by striking “ or” after the semicolon;

(5) by redesignating clause (iv) as clause (vi);

(6) by inserting after clause (iii) the following:

“(iv) in the case of any borrower who has received a call or order to duty described in subclause (I) or (II) of clause (iii), during the shorter of—

“(I) the period beginning on the date such call or order to duty is received by the borrower and ending on
the first day of the service described in subclause (I) or (II) of clause (iii); and

“(II) the 180-day period preceding the first day of such service;

“(v) notwithstanding clause (iv)—

“(I) in the case of any borrower described in such clause whose call or order to duty is cancelled before the first day of the service described in subclause (I) or (II) of clause (iii) because of a personal injury in connection with training to prepare for such service, during the period described in clause (iv) and during an additional period equal to the duration of such service, as specified by or otherwise determined in the original call or order to duty; and

“(II) in the case of any borrower whose call or order to duty is cancelled before the first day of such service for a reason other than an injury described in subclause (I), during the period beginning on the date the
call or order to duty is received by the borrower and ending on the date that is 14 days after such call or order to duty is cancelled; and’’; and

(7) in clause (vi) (as redesignated by paragraph (5)), by striking “not in excess” and inserting “during any period not in excess”.

(b) DIRECT LOANS.—Section 455(f)(2) of the Higher Education Act of 1965 (20 U.S.C. 1087e(f)(2)) is amend-
ed—

(1) in the matter preceding subparagraph (A), by striking “during any period”;

(2) in subparagraph (A), by striking “during which” and inserting “during any period during which”;

(3) in subparagraph (B), by striking “not in ex-

cess” and inserting “during any period not in ex-

cess”;

(4) in subparagraph (C)—

(A) by striking “during which” and insert-
ing “during any period during which”; and

(B) in the matter following clause (ii), by strik-
ing “or” after the semicolon;

(5) by redesignating subparagraph (D) as sub-
paragraph (F);
(6) by inserting after subparagraph (C) the following:

“(D) in the case of any borrower who has received a call or order to duty described in clause (i) or (ii) of subparagraph (C), during the shorter of—

“(i) the period beginning on the date such call or order to duty is received by the borrower and ending on the first day of the service described in clause (i) or (ii) of subparagraph (C); and

“(ii) the 180-day period preceding the first day of such service;

“(E) notwithstanding subparagraph (D)—

“(i) in the case of any borrower described in such subparagraph whose call or order to duty is cancelled before the first day of the service described in clause (i) or (ii) of subparagraph (C) because of a personal injury in connection with training to prepare for such service, during the period described in subparagraph (D) and during an additional period equal to the duration of such service, as specified by or otherwise
determined in the original call or order to
duty; and

“(ii) in the case of any borrower
whose call or order to duty is cancelled be-
fore the first day of such service for a rea-
son other than an injury described in
clause (i), during the period beginning on
the date the call or order to duty is re-
ceived by the borrower and ending on the
date that is 14 days after such call or
order to duty is cancelled; and”; and

(7) in subparagraph (F) (as redesignated by
paragraph (5)), by striking “not in excess” and in-
serting “during any period not in excess”.

(c) PERKINS LOANS.—Section 464(c)(2)(A) of the
Higher Education Act of 1965 (20 U.S.C.
1087dd(c)(2)(A)) is amended—

(1) in the matter preceding clause (i), by strik-
ing “during any period”;

(2) in clause (i), by striking “during which”
and inserting “during any period during which”;

(3) in clause (ii), by striking “not in excess”
and inserting “during any period not in excess”;

(4) in clause (iii), by striking “during which”
and inserting “during any period during which”;
(5) by redesignating clauses (iv) and (v) as clauses (vi) and (vii), respectively;

(6) by inserting after clause (iii) the following:

“(iv) in the case of any borrower who has received a call or order to duty described in subclause (I) or (II) of clause (iii), during the shorter of—

“(I) the period beginning on the date such call or order to duty is received by the borrower and ending on the first day of the service described in subclause (I) or (II) of clause (iii); and

“(II) the 180-day period preceding the first day of such service;

“(v) notwithstanding clause (iv)—

“(I) in the case of any borrower described in such clause whose call or order to duty is cancelled before the first day of the service described in subclause (I) or (II) of clause (iii) because of a personal injury in connection with training to prepare for such service, during the period described in clause (iv) and during an additional period equal to the duration of such service, as specified by or otherwise deter-
mined in the original call or order to duty;
and

“(II) in the case of any borrower
whose call or order to duty is cancelled be-
fore the first day of such service for a rea-
son other than an injury described in sub-
clause (I), during the period beginning on
the date the call or order to duty is re-
ceived by the borrower and ending on the
date that is 14 days after such call or
order to duty is cancelled;”;

(7) in clause (vi) (as redesignated by paragraph
(5)), by striking “not in excess” and inserting “dur-
ing any period not in excess”; and

(8) in clause (vii) (as redesignated by para-
graph (5)), by striking “during which” and inserting
“during any period during which”.

(d) RULE OF CONSTRUCTION.—Nothing in the
amendments made by this section shall be construed to
authorize any refunding of any repayment of a loan.

(e) APPLICABILITY.—The amendments made by this
section shall apply with respect to all loans made, insured,
or guaranteed under title IV of the Higher Education Act
of 1965 (20 U.S.C. 1070 et seq.).
SEC. 3. CONFORMING AMENDMENTS.

Title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) is further amended—


(2) in section 493D(a) (20 U.S.C. 1098f(a)), by striking “section 428(b)(1)(M)(iii), 455(f)(2)(C), or 464(c)(2)(A)(iii)” and inserting “clause (iii) or (iv) of section 428(b)(1)(M), subparagraph (C) or (D) of section 455(f)(2), or clause (iii) or (iv) of section 464(c)(2)(A)”.

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