

116TH CONGRESS  
1ST SESSION

# H. R. 4113

To amend the Higher Education Act of 1965 to provide for a percentage of student loan forgiveness for public service employment, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

JULY 30, 2019

Ms. KENDRA S. HORN of Oklahoma introduced the following bill; which was referred to the Committee on Education and Labor

---

## A BILL

To amend the Higher Education Act of 1965 to provide for a percentage of student loan forgiveness for public service employment, 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 “Public Service Pays  
5 Off Act”.

6 **SEC. 2. PUBLIC SERVICE LOAN FORGIVENESS PROGRAM.**

7 Section 455(m) of the Higher Education Act of 1965  
8 (20 U.S.C. 1087e(m)) is amended—

1 (1) in paragraph (1), in the matter preceding  
2 subparagraph (A), by inserting “or paragraph (5),  
3 as applicable,” after “paragraph (2)”;

4 (2) in paragraph (2), by striking “After” and  
5 inserting “Except as provided in paragraph (5),  
6 after”; and

7 (3) by adding at the end the following:

8 “(5) LOAN CANCELLATION FOR PARTIAL SERV-  
9 ICE.—

10 “(A) IN GENERAL.—Notwithstanding para-  
11 graph (2), beginning on the date of enactment  
12 of the Public Service Pays Off Act, the Sec-  
13 retary shall cancel the obligation to repay the  
14 balance of principal and interest due on the eli-  
15 gible Federal Direct Loans made to a borrower  
16 under this part in accordance with this para-  
17 graph.

18 “(B) NEW MONTHLY PAYMENTS.—For a  
19 borrower of an eligible Federal Direct Loan  
20 who begins making qualifying monthly pay-  
21 ments under paragraph (1) on or after the date  
22 of enactment of the Public Service Pays Off Act  
23 and who is employed in a public service job and  
24 submits an employment certification form de-  
25 scribed in clause (F), the Secretary shall cancel,

1 after the conclusion of each employment period  
2 in such public service job, as described in clause  
3 (D)—

4 “(i) the percent specified in such sub-  
5 clause (D) of the total amount due on the  
6 eligible Federal Direct Loans made to the  
7 borrower under this part, based on the  
8 length of such employment period; and

9 “(ii) the applicable amount of interest  
10 that accrued during such employment pe-  
11 riod, in accordance with subclause (E).

12 “(C) PRIOR MONTHLY PAYMENTS.—

13 “(i) ELECTION.—A borrower of an el-  
14 igible Federal Direct Loan who has made  
15 one or more monthly payments under  
16 paragraph (1) before the date of enact-  
17 ment of the Public Service Pays Off Act  
18 and who is employed in a public service job  
19 may elect to have the Secretary cancel  
20 such eligible Federal Direct Loan through  
21 partial repayments after completion of  
22 each employment period in accordance with  
23 this paragraph (including submission of an  
24 employment certification form described in  
25 clause (F)), or in full after the completion

1 of the required employment period and 120  
2 monthly payments in accordance with  
3 paragraph (2).

4 “(ii) NO DOUBLE CANCELLATION.—A  
5 borrower shall not have eligible Federal Di-  
6 rect Loans cancelled under both paragraph  
7 (2) and this paragraph, but a borrower  
8 who was determined to be ineligible for  
9 cancellation under paragraph (2) before  
10 the date of enactment of the Public Service  
11 Pays Off Act may submit an employment  
12 certification form described in clause (F)  
13 and request cancellation for a public serv-  
14 ice job under this paragraph.

15 “(D) PERCENT AMOUNT.—The percent of  
16 a loan that shall be canceled under this para-  
17 graph for an employment period is as follows:

18 “(i) In the case of a borrower who  
19 completes 2 years of employment in a pub-  
20 lic service job, 15 percent of the total  
21 amount due on the eligible Federal Direct  
22 Loan on the date the borrower commenced  
23 employment in such public service job.

24 “(ii) In the case of a borrower who  
25 completes 4 years of employment in a pub-

1           lic service job, 15 percent of the total  
2           amount due on the eligible Federal Direct  
3           Loan on the date the borrower commenced  
4           employment in such public service job.

5           “(iii) In the case of a borrower who  
6           completes 6 years of employment in a pub-  
7           lic service job, 20 percent of the total  
8           amount due on the eligible Federal Direct  
9           Loan on the date the borrower commenced  
10          employment in such public service job.

11          “(iv) In the case of a borrower who  
12          completes 8 years of employment in a pub-  
13          lic service job, 20 percent of the total  
14          amount due on the eligible Federal Direct  
15          Loan on the date the borrower commenced  
16          employment in such public service job.

17          “(v) In the case of a borrower who  
18          completes 10 years of employment in a  
19          public service job, the amount remaining of  
20          the total amount due on the eligible Fed-  
21          eral Direct Loan on the date the borrower  
22          commenced employment in such public  
23          service job.

24          “(E) INTEREST CANCELED.—If a portion  
25          of a loan is canceled under this paragraph for

1 a period of employment in a public service job,  
2 the entire amount of interest on such loan that  
3 accrued during such period shall be canceled.

4 “(F) EMPLOYMENT CERTIFICATION  
5 FORM.—In order to receive loan cancellation  
6 under this paragraph, a borrower shall submit  
7 to the Secretary an employment certification  
8 form that is developed by the Secretary and in-  
9 cludes self-certification of employment and a  
10 separate part for employer certification that in-  
11 dicates the dates of employment.”.

○