

107TH CONGRESS
1ST SESSION

S. 340

To recruit and retain more qualified individuals to teach in Tribal Colleges
or Universities.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 15, 2001

Mr. DASCHLE (for himself, Mr. DODD, Mr. CONRAD, Mr. AKAKA, Mr. KENNEDY, Mr. REID, Mr. LEAHY, Mr. BINGAMAN, Mr. BAUCUS, and Mr. JOHNSON) introduced the following bill; which was read twice and referred to the Committee on Indian Affairs

A BILL

To recruit and retain more qualified individuals to teach
in Tribal Colleges or Universities.

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. LOAN REPAYMENT OR CANCELLATION FOR IN-**
4 **DIVIDUALS WHO TEACH IN TRIBAL COL-**
5 **LEGES OR UNIVERSITIES.**

6 (a) SHORT TITLE.—This Act may be cited as the
7 “Tribal College or University Teacher Loan Forgiveness
8 Act”.

9 (b) PERKINS LOANS.—

(1) AMENDMENT.—Section 465(a) of the Higher Education Act of 1965 (20 U.S.C. 1087ee(a)) is amended—

(A) in paragraph (2)—

(i) in subparagraph (H), by striking “or” after the semicolon;

(ii) in subparagraph (I), by striking the period and inserting “; or”; and

(iii) by adding at the end the following:

“(J) as a full-time teacher at a tribal College or University as defined in section 316(b).”; and

(B) in paragraph (3)(A)(i), by striking “or (I)” and inserting “(I), or (J)”.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall be effective for service performed during academic year 1998–1999 and succeeding academic years, notwithstanding any contrary provision of the promissory note under which a loan under part E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087aa et seq.) was made.

(c) FFEL AND DIRECT LOANS.—Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.) is amended by adding at the end the following:

1 **“SEC. 493C. LOAN REPAYMENT OR CANCELLATION FOR IN-**
 2 **DIVIDUALS WHO TEACH IN TRIBAL COL-**
 3 **LEGES OR UNIVERSITIES.**

4 “(a) PROGRAM AUTHORIZED.—The Secretary shall
 5 carry out a program, through the holder of a loan, of as-
 6 suming or canceling the obligation to repay a qualified
 7 loan amount, in accordance with subsection (b), for any
 8 new borrower on or after the date of enactment of the
 9 Tribal College or University Teacher Loan Forgiveness
 10 Act, who—

11 “(1) has been employed as a full-time teacher
 12 at a Tribal College or University as defined in sec-
 13 tion 316(b); and

14 “(2) is not in default on a loan for which the
 15 borrower seeks repayment or cancellation.

16 “(b) QUALIFIED LOAN AMOUNTS.—

17 “(1) PERCENTAGES.—Subject to paragraph (2),
 18 the Secretary shall assume or cancel the obligation
 19 to repay under this section—

20 “(A) 15 percent of the amount of all loans
 21 made, insured, or guaranteed after the date of
 22 enactment of the Tribal College or University
 23 Teacher Loan Forgiveness Act to a student
 24 under part B or D, for the first or second year
 25 of employment described in subsection (a)(1);

1 “(B) 20 percent of such total amount, for
 2 the third or fourth year of such employment;
 3 and

4 “(C) 30 percent of such total amount, for
 5 the fifth year of such employment.

6 “(2) MAXIMUM.—The Secretary shall not repay
 7 or cancel under this section more than \$15,000 in
 8 the aggregate of loans made, insured, or guaranteed
 9 under parts B and D for any student.

10 “(3) TREATMENT OF CONSOLIDATION LOANS.—
 11 A loan amount for a loan made under section 428C
 12 may be a qualified loan amount for the purposes of
 13 this subsection only to the extent that such loan
 14 amount was used to repay a loan made, insured, or
 15 guaranteed under part B or D for a borrower who
 16 meets the requirements of subsection (a), as deter-
 17 mined in accordance with regulations prescribed by
 18 the Secretary.

19 “(c) REGULATIONS.—The Secretary is authorized to
 20 issue such regulations as may be necessary to carry out
 21 the provisions of this section.

22 “(d) CONSTRUCTION.—Nothing in this section shall
 23 be construed to authorize any refunding of any repayment
 24 of a loan.

1 “(e) PREVENTION OF DOUBLE BENEFITS.—No bor-
 2 rower may, for the same service, receive a benefit under
 3 both this section and subtitle D of title I of the National
 4 and Community Service Act of 1990 (42 U.S.C. 12571
 5 et seq.).

6 “(f) DEFINITION.—For purposes of this section, the
 7 term ‘year’, when applied to employment as a teacher,
 8 means an academic year as defined by the Secretary.”.

9 **SEC. 2. AMOUNTS FORGIVEN NOT TREATED AS GROSS IN-**
 10 **COME.**

11 The amount of any loan that is assumed or canceled
 12 under an amendment made by this Act shall not, con-
 13 sistent with section 108(f) of the Internal Revenue Code
 14 of 1986, be treated as gross income for Federal income
 15 tax purposes.

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