

Calendar No. 323

109TH CONGRESS
1ST SESSION**S. 731****[Report No. 109–205]**

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

IN THE SENATE OF THE UNITED STATES

APRIL 6, 2005

Mr. CONRAD (for himself, Mr. BURNS, Mr. JOHNSON, Mr. DORGAN, Mr. KOHL, Mr. DOMENICI, Mr. BINGAMAN, Mr. THUNE, and Mr. MCCAIN) introduced the following bill; which was read twice and referred to the Committee on Indian Affairs

DECEMBER 12, 2005

Reported by Mr. MCCAIN, with amendments

[Omit the part struck through and insert the part printed in *italic*]

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. SHORT TITLE.**

4 This Act may be cited as the “Tribal Colleges and
5 Universities ~~Teacher~~ *Faculty* Loan Forgiveness Act”.

1 **SEC. 2. LOAN REPAYMENT OR CANCELLATION FOR INDIVIDUALS WHO TEACH IN TRIBAL COLLEGES**
 2 **OR UNIVERSITIES.**

3 (a) PERKINS LOANS.—

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

5 (A) in paragraph (2)—

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

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

10 (iii) by adding at the end the following:

11 “(J) as a full-time ~~teacher~~ *faculty member* at a
 12 Tribal College or University as defined in section
 13 316(b).”; and

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

16 (2) EFFECTIVE DATE.—The amendments made
 17 by paragraph (1) shall be effective for service performed during academic year 2003–2004 and succeeding academic years, notwithstanding any contrary provision of the promissory note under which
 18 a loan under part E of title IV of the Higher Edu-

1 cation Act of 1965 (20 U.S.C. 1087aa et seq.) was
 2 made.

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

6 **“SEC. 493C. LOAN REPAYMENT OR CANCELLATION FOR IN-**
 7 **DIVIDUALS WHO TEACH IN TRIBAL COL-**
 8 **LEGES OR UNIVERSITIES.**

9 “(a) PROGRAM AUTHORIZED.—The Secretary shall
 10 carry out a program, through the holder of a loan, of as-
 11 suming or canceling the obligation to repay a qualified
 12 loan amount, in accordance with subsection (b), for any
 13 new borrower on or after the date of enactment of the
 14 Tribal Colleges and Universities ~~Teacher~~ *Faculty* Loan
 15 Forgiveness Act, who—

16 “(1) has been employed as a full-time ~~teacher~~
 17 *faculty member* at a Tribal College or University as
 18 defined in section 316(b); and

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

21 “(b) QUALIFIED LOAN AMOUNTS.—

22 “(1) PERCENTAGES.—Subject to paragraph (2),
 23 the Secretary shall assume or cancel the obligation
 24 to repay under this section—

“(A) 15 percent of the amount of all loans made, insured, or guaranteed after the date of enactment of the Tribal Colleges and Universities ~~Teacher~~ *Faculty* Loan Forgiveness Act to a student under part B or D, for the first or second year of employment described in subsection (a)(1);

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

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

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

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

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

4 “(d) EFFECT ON SECTION.—Nothing in this section
 5 shall be construed to authorize any refunding of any re-
 6 payment of a loan.

7 “(e) PREVENTION OF DOUBLE BENEFITS.—No bor-
 8 rower may, for the same service, receive a benefit under
 9 both this section and subtitle D of title I of the National
 10 and Community Service Act of 1990 (42 U.S.C. 12601
 11 et seq.).

12 “(f) DEFINITION.—For purposes of this section, the
 13 term ‘year’, when applied to employment as a ~~teacher~~ *fac-*
 14 *ulty member*, means an academic year as defined by the
 15 Secretary.”.

16 **SEC. 3. LOAN REPAYMENT FOR NURSING INSTRUCTORS AT**
 17 **TRIBAL COLLEGES OR UNIVERSITIES.**

18 Section 846(a)(3) of the Public Health Service Act
 19 (42 U.S.C. 297n(a)(3)) is amended—

- 20 (1) by striking “(3)” and inserting “(3)(A)”;
- 21 (2) by inserting “or” after the semicolon; and
- 22 (3) by adding at the end the following:

23 “(B) who is a nursing instructor at a tribally
 24 controlled college or university (as such term is de-
 25 fined in section 2 of the Tribally Controlled College

1 or University Assistance Act of 1978 (25 U.S.C.
2 1801), or any institution listed in section 532 of the
3 Equity in Educational Land-Grant Status Act of
4 1994 (7 U.S.C. 301 note));”.

5 **SEC. 4. AMOUNTS FORGIVEN NOT TREATED AS GROSS IN-**
6 **COME.**

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

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