

110TH CONGRESS
1ST SESSION

S. 1167

To amend the Higher Education Act of 1965 in order to provide funding for student loan repayment for civil legal assistance attorneys.

IN THE SENATE OF THE UNITED STATES

APRIL 19, 2007

Mr. HARKIN introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 in order to provide funding for student loan repayment for civil legal assistance attorneys.

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 “Civil Legal Assistance
5 Attorney Loan Repayment Act”.

6 **SEC. 2. LOAN REPAYMENT FOR CIVIL LEGAL ASSISTANCE**
7 **ATTORNEYS.**

8 Part B of title IV of the Higher Education Act of
9 1965 (20 U.S.C. 1071 et seq.) is amended by inserting
10 after section 428K the following:

1 **“SEC. 428L. LOAN REPAYMENT FOR CIVIL LEGAL ASSIST-**
 2 **ANCE ATTORNEYS.**

3 “(a) PURPOSE.—The purpose of this section is to en-
 4 courage qualified individuals to enter and continue em-
 5 ployment as civil legal assistance attorneys.

6 “(b) DEFINITIONS.—In this section:

7 “(1) CIVIL LEGAL ASSISTANCE ATTORNEY.—

8 The term ‘civil legal assistance attorney’ means an
 9 attorney who—

10 “(A) is a full-time employee of a nonprofit
 11 organization that provides legal assistance with
 12 respect to civil matters to low-income individ-
 13 uals without a fee;

14 “(B) as such employee, provides civil legal
 15 assistance as described in subparagraph (A) on
 16 a full-time basis; and

17 “(C) is continually licensed to practice law.

18 “(2) STUDENT LOAN.—The term ‘student loan’
 19 means—

20 “(A) subject to subparagraph (B), a loan
 21 made, insured, or guaranteed under part B, D,
 22 or E of this title; and

23 “(B) a loan made under section 428C or
 24 455(g), to the extent that such loan was used
 25 to repay—

1 “(i) a Federal Direct Stafford Loan, a
2 Federal Direct Unsubsidized Stafford
3 Loan, or a Federal Direct PLUS Loan;

4 “(ii) a loan made under section 428,
5 428B, or 428H; or

6 “(iii) a loan made under part E.

7 “(c) PROGRAM AUTHORIZED.—The Secretary shall
8 carry out a program of assuming the obligation to repay
9 a student loan, by direct payments on behalf of a borrower
10 to the holder of such loan, in accordance with subsection
11 (d), for any borrower who—

12 “(1) is employed as a civil legal assistance at-
13 torney; and

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

16 “(d) TERMS OF AGREEMENT.—

17 “(1) IN GENERAL.—To be eligible to receive re-
18 payment benefits under subsection (c), a borrower
19 shall enter into a written agreement with the Sec-
20 retary that specifies that—

21 “(A) the borrower will remain employed as
22 a civil legal assistance attorney for a required
23 period of service of not less than 3 years, unless
24 involuntarily separated from that employment;

1 “(B) if the borrower is involuntarily sepa-
2 rated from employment on account of mis-
3 conduct, or voluntarily separates from employ-
4 ment, before the end of the period specified in
5 the agreement, the borrower will repay the Sec-
6 retary the amount of any benefits received by
7 such employee under this agreement;

8 “(C) if the borrower is required to repay
9 an amount to the Secretary under subpara-
10 graph (B) and fails to repay such amount, a
11 sum equal to that amount shall be recoverable
12 by the Federal Government from the employee
13 by such methods as are provided by law for the
14 recovery of amounts owed to the Federal Gov-
15 ernment;

16 “(D) the Secretary may waive, in whole or
17 in part, a right of recovery under this sub-
18 section if it is shown that recovery would be
19 against equity and good conscience or against
20 the public interest; and

21 “(E) the Secretary shall make student loan
22 payments under this section for the period of
23 the agreement, subject to the availability of ap-
24 propriations.

25 “(2) REPAYMENTS.—

1 “(A) IN GENERAL.—Any amount repaid
2 by, or recovered from, an individual under this
3 subsection shall be credited to the appropriation
4 account from which the amount involved was
5 originally paid.

6 “(B) MERGER.—Any amount credited
7 under subparagraph (A) shall be merged with
8 other sums in such account and shall be avail-
9 able for the same purposes and period, and sub-
10 ject to the same limitations, if any, as the sums
11 with which the amount was merged.

12 “(3) LIMITATIONS.—

13 “(A) STUDENT LOAN PAYMENT
14 AMOUNT.—Student loan repayments made by
15 the Secretary under this section shall be made
16 subject to such terms, limitations, or conditions
17 as may be mutually agreed upon by the bor-
18 rower and the Secretary in an agreement under
19 paragraph (1), except that the amount paid by
20 the Secretary under this section shall not ex-
21 ceed—

22 “(i) \$6,000 for any borrower in any
23 calendar year; or

24 “(ii) an aggregate total of \$40,000 in
25 the case of any borrower.

1 “(B) BEGINNING OF PAYMENTS.—Nothing
2 in this section shall authorize the Secretary to
3 pay any amount to reimburse a borrower for
4 any repayments made by such borrower prior to
5 the date on which the Secretary entered into an
6 agreement with the borrower under this sub-
7 section.

8 “(e) ADDITIONAL AGREEMENTS.—

9 “(1) IN GENERAL.—On completion of the re-
10 quired period of service under an agreement under
11 subsection (d), the borrower and the Secretary may,
12 subject to paragraph (2), enter into an additional
13 agreement in accordance with subsection (d).

14 “(2) TERM.—An agreement entered into under
15 paragraph (1) may require the borrower to remain
16 employed as a civil legal assistance attorney for less
17 than 3 years.

18 “(f) AWARD BASIS; PRIORITY.—

19 “(1) AWARD BASIS.—Subject to paragraph (2),
20 the Secretary shall provide repayment benefits under
21 this section on a first-come, first-served basis, and
22 subject to the availability of appropriations.

23 “(2) PRIORITY.—The Secretary shall give pri-
24 ority in providing repayment benefits under this sec-
25 tion in any fiscal year to a borrower who—

1 “(A) has practiced law for 5 years or less
2 and, for at least 90 percent of the time in such
3 practice, has served as a civil legal assistance
4 attorney;

5 “(B) received repayment benefits under
6 this section during the preceding fiscal year;
7 and

8 “(C) has completed less than 3 years of
9 the first required period of service specified for
10 the borrower in an agreement entered into
11 under subsection (d).

12 “(g) REGULATIONS.—The Secretary is authorized to
13 issue such regulations as may be necessary to carry out
14 the provisions of this section.

15 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
16 are authorized to be appropriated to carry out this section
17 \$10,000,000 for fiscal year 2008 and such sums as may
18 be necessary for each succeeding fiscal year.”.

○