

111TH CONGRESS
1ST SESSION

H. R. 2561

To amend section 484B of the Higher Education Act of 1965 to forgive certain loans for servicemembers who withdraw from an institution of higher education as a result of service in the uniformed services, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 21, 2009

Mr. KIND (for himself, Mrs. BIGGERT, Mr. ALTMIRE, and Mr. HUNTER) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To amend section 484B of the Higher Education Act of 1965 to forgive certain loans for servicemembers who withdraw from an institution of higher education as a result of service in the uniformed services, 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 “Help Student Soldiers
5 Act”.

1 **SEC. 2. LOAN FORGIVENESS FOR SERVICEMEMBERS.**

2 Section 484B(e) of the Higher Education Act of 1965
3 (20 U.S.C. 1091b(e)) is amended to read as follows—

4 “(e) LOAN FORGIVENESS FOR SERVICEMEMBERS.—

5 “(1) LOAN FORGIVENESS AUTHORIZED.—

6 Whenever a student’s withdrawal from an institution
7 of higher education is necessitated by reason of serv-
8 ice in the uniformed services, the Secretary shall,
9 with respect to the payment period or period of en-
10 rollment for which such student did not receive aca-
11 demic credit as a result of such withdrawal—

12 “(A) waive the amounts the student is re-
13 quired to return for such payment period or pe-
14 riod of enrollment under subsection (b)(2); and

15 “(B) carry out a program—

16 “(i) through the holder of the loan, to
17 assume the obligation to repay—

18 “(I) the outstanding principal
19 and accrued interest on any loan as-
20 sistance awarded to the student under
21 part B for such payment period or pe-
22 riod of enrollment; minus

23 “(II) any amount of such loan
24 assistance returned by the institution
25 in accordance with subsection (b)(1)

1 for such payment period or period of
2 enrollment; and

3 “(ii) to cancel—

4 “(I) the outstanding principal
5 and accrued interest on the loan as-
6 sistance awarded to the student under
7 part D or E for such payment period
8 or period of enrollment; minus

9 “(II) any amount of such loan
10 assistance returned by the institution
11 in accordance with subsection (b)(1)
12 for such payment period or period of
13 enrollment.

14 “(2) PLUS LOANS.—Notwithstanding para-
15 graph (1), the Secretary may not provide loan for-
16 giveness under this subsection for any excepted
17 PLUS loan.

18 “(3) REIMBURSEMENT FOR CANCELLATION OF
19 PERKINS LOANS.—The Secretary shall pay to each
20 institution for each fiscal year an amount equal to
21 the aggregate of the amounts of Federal Perkins
22 loans in such institutions’s student loan fund which
23 are cancelled pursuant to paragraph (1)(B)(ii) for
24 such fiscal year, minus an amount equal to the ag-
25 gregate of the amounts of any such loans so can-

1 celed which were made from Federal capital con-
2 tributions to its student loan fund provided by the
3 Secretary under section 468. None of the funds ap-
4 propriated pursuant to section 461(b) shall be avail-
5 able for payments pursuant to this paragraph. To
6 the extent feasible, the Secretary shall pay the
7 amounts for which any institution qualifies under
8 this paragraph not later than 3 months after the in-
9 stitution files an institutional application for cam-
10 pus-based funds.

11 “(4) LOAN ELIGIBILITY AND LIMITS FOR STU-
12 DENTS.—Any amounts that are returned by an in-
13 stitution in accordance with subsection (b)(1), or
14 forgiven or waived by the Secretary under this sub-
15 section, with respect to a payment period or period
16 of enrollment for which a student did not receive
17 academic credit as a result of withdrawal neces-
18 sitated by reason of service in the uniformed serv-
19 ices, shall not be included in the calculation of a stu-
20 dent’s annual or aggregate loan limits for assistance
21 under this title, or otherwise affect the student’s eli-
22 gibility for grants or loans under this title.

23 “(5) DEFINITIONS.—In this subsection:

1 “(A) EXCEPTED PLUS LOAN.—The term
2 ‘excepted PLUS loan’ has the meaning given
3 such term in section 493C.

4 “(B) SERVICE IN THE UNIFORMED SERV-
5 ICES.—The term ‘service in the uniformed serv-
6 ices’ has the meaning given such term in sec-
7 tion 484C(a).

8 “(6) EFFECTIVE DATE.—This subsection shall
9 take effect on July 1, 2010.”.

○