

112TH CONGRESS  
2D SESSION

# S. 2181

To amend the Higher Education Act of 1965 to provide for loan forgiveness for early childhood educators, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MARCH 8, 2012

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

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## A BILL

To amend the Higher Education Act of 1965 to provide for loan forgiveness for early childhood educators, 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 “Preparing and Rein-  
5       vesting in Early Education Act of 2012” or “PRE ED  
6       Act of 2012”.

7       **SEC. 2. EXPANDING FFEL LOAN FORGIVENESS PROGRAM**  
8               **TO EARLY CHILDHOOD EDUCATORS.**

9       Section 428J of the Higher Education Act of 1965  
10      (20 U.S.C. 1078–10) is amended—

1 (1) in the section heading, by inserting “**EARLY**  
 2 **CHILDHOOD EDUCATORS AND ELEMENTARY**  
 3 **AND SECONDARY SCHOOL**” before “**TEACHERS**”;

4 (2) by striking subsection (b) and inserting the  
 5 following:

6 “(b) PROGRAM AUTHORIZED.—The Secretary shall  
 7 carry out a program, through the holder of the loan, of  
 8 assuming the obligation to repay a qualified loan amount  
 9 for a loan made under section 428 or 428H, in accordance  
 10 with subsection (c), for any borrower who—

11 “(1)(A) is a new borrower on or after October  
 12 1, 1998, and has been employed as a full-time teach-  
 13 er for 5 consecutive complete school years—

14 “(i) in a school or location that qualifies  
 15 under section 465(a)(2)(A) for loan cancellation  
 16 for Perkins loan recipients who teach in such  
 17 schools or locations; and

18 “(ii) if employed as an elementary school  
 19 or secondary school teacher, is highly qualified  
 20 as defined in section 9101 of the Elementary  
 21 Secondary Education Act of 1965, or meets the  
 22 requirements of subsection (g)(3); or

23 “(B)(i) has been employed as a full-time early  
 24 childhood educator at an early childhood program

1 for 5 consecutive complete school years or a com-  
 2 parable period, as determined by the Secretary; and

3 “(ii) obtained an associate degree or bacca-  
 4 laureate degree in early childhood education from an  
 5 institution of higher education prior to the beginning  
 6 of the period described in clause (i); and

7 “(2) is not in default on a loan for which the  
 8 borrower seeks forgiveness.”;

9 (3) by striking paragraph (1) of subsection (c)  
 10 and inserting the following:

11 “(1) IN GENERAL.—

12 “(A) AGGREGATE AMOUNTS.—Of the loan  
 13 obligation on a loan made under section 428 or  
 14 428H that is outstanding after the completion  
 15 of the fifth complete school year of teaching de-  
 16 scribed in subsection (b)(1) or comparable pe-  
 17 riod (in accordance with subsection  
 18 (b)(1)(B)(i)), the Secretary shall repay not  
 19 more than—

20 “(i) \$5,000 in the aggregate for a  
 21 borrower described in subsection (b)(1)(A),  
 22 except as provided in paragraph (3); and

23 “(ii) \$25,000 in the aggregate for a  
 24 borrower described in subsection (b)(1)(B).

1 “(B) INTERACTION WITH DIRECT LOAN  
 2 PROGRAM.—No borrower may receive a reduc-  
 3 tion of loan obligations under both this section  
 4 and section 460.”; and  
 5 (4) in subsection (g)—

6 (A) in paragraph (1)(A), by striking  
 7 “(b)(1)(A)” and inserting “(b)(1)(A)(i)”; and

8 (B) in paragraph (3), by striking  
 9 “(b)(1)(B)” and inserting “(b)(1)(A)(ii)”.

10 **SEC. 3. EXPANDING FEDERAL DIRECT LOAN CANCELLA-**  
 11 **TION PROGRAM TO EARLY CHILDHOOD EDU-**  
 12 **CATORS.**

13 Section 460 of the Higher Education Act of 1965 (20  
 14 U.S.C. 1087j) is amended—

15 (1) in the section heading, by inserting “**EARLY**  
 16 **CHILDHOOD EDUCATORS AND ELEMENTARY**  
 17 **AND SECONDARY SCHOOL**” before “**TEACHERS**”;

18 (2) by striking subsection (b) and inserting the  
 19 following:

20 “(b) PROGRAM AUTHORIZED.—The Secretary shall  
 21 carry out a program of canceling the obligation to repay  
 22 a qualified loan amount in accordance with subsection (c)  
 23 for Federal Direct Stafford Loans and Federal Direct Un-  
 24 subsidized Stafford Loans made under this part for any  
 25 borrower who—

1 “(1)(A) is a new borrower on or after October  
 2 1, 1998 and has been employed as a full-time teach-  
 3 er for 5 consecutive complete school years—

4 “(i) in a school or location that qualifies  
 5 under section 465(a)(2)(A) for loan cancellation  
 6 for Perkins loan recipients who teach in such  
 7 schools or locations; and

8 “(ii) if employed as an elementary school  
 9 or secondary school teacher, is highly qualified  
 10 as defined in section 9101 of the Elementary  
 11 Secondary Education Act of 1965, or meets the  
 12 requirements of subsection (g)(3); or

13 “(B)(i) has been employed as a full-time early  
 14 childhood educator at an early childhood program  
 15 for 5 consecutive complete school years or a com-  
 16 parable period, as determined by the Secretary; and

17 “(ii) obtained an associate degree or bacca-  
 18 laureate degree in early childhood education from an  
 19 institution of higher education prior to the beginning  
 20 of the period described in clause (i); and

21 “(2) is not in default on a loan for which the  
 22 borrower seeks forgiveness.”;

23 (3) by striking paragraph (1) of subsection (c)  
 24 and inserting the following:

25 “(1) IN GENERAL.—

“(A) AGGREGATE AMOUNTS.—Of the loan obligation on a Federal Direct Stafford Loan or a Federal Direct Unsubsidized Stafford Loan that is outstanding after the completion of the fifth complete school year of teaching described in subsection (b)(1) or comparable period (in accordance with subsection (b)(1)(B)(i)), the Secretary shall cancel not more than—

“(i) \$5,000 in the aggregate for a borrower described in subsection (b)(1)(A), except as provided in paragraph (3); and

“(ii) \$25,000 in the aggregate for a borrower described in subsection (b)(1)(B).

“(B) INTERACTION WITH FFEL PROGRAM.—No borrower may receive a reduction of loan obligations under both this section and section 428J.”; and  
(4) in subsection (g)—

(A) in paragraph (1)(A), by striking “(b)(1)(A)” and inserting “(b)(1)(A)(i)”; and

(B) in paragraph (3), by striking “(b)(1)(B)” and inserting “(b)(1)(A)(ii)”.

1 **SEC. 4. AMENDMENT TO LOAN FORGIVENESS FOR SERVICE**  
2 **IN AREAS OF NATIONAL NEED PROGRAM.**

3 Section 428K(g)(3)(C) of the Higher Education Act  
4 of 1965 (20 U.S.C. 1078–11(g)(3)(C)) is amended by in-  
5 serting “an associate degree in early childhood education  
6 or” before “a baccalaureate”.

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