

113TH CONGRESS
1ST SESSION

H. R. 2881

To amend the Higher Education Act of 1965 to increase the amount of loan forgiveness available to highly qualified teachers employed in low-income schools who teach in the same school district for five consecutive years.

IN THE HOUSE OF REPRESENTATIVES

JULY 31, 2013

Mr. BUTTERFIELD (for himself, Mr. PRICE of North Carolina, Ms. LEE of California, Mrs. BEATTY, Ms. KELLY of Illinois, Ms. JACKSON LEE, Mr. MCINTYRE, Mr. BISHOP of Georgia, Mr. JEFFRIES, Mr. PAYNE, Ms. BASS, Mr. CARSON of Indiana, Ms. CLARKE, Mr. RICHMOND, Mr. LEWIS, Ms. KAPTUR, Mr. CLEAVER, Mr. SCOTT of Virginia, Ms. BROWN of Florida, and Ms. EDDIE BERNICE JOHNSON of Texas) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Higher Education Act of 1965 to increase the amount of loan forgiveness available to highly qualified teachers employed in low-income schools who teach in the same school district for five consecutive years.

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 “Support Educators and
5 Reinvest in Valuable Education Act” or “SERVE Act”.

1 **SEC. 2. ADDITIONAL LOAN FORGIVENESS FOR HIGHLY**
2 **QUALIFIED TEACHERS EMPLOYED IN A LOW-**
3 **INCOME SCHOOL IN THE SAME LOCAL EDU-**
4 **CATIONAL AGENCY FOR 5 CONSECUTIVE**
5 **YEARS.**

6 (a) FEDERAL FAMILY EDUCATION LOAN PRO-
7 GRAM.—Section 428J(c) of the Higher Education Act of
8 1965 (20 U.S.C. 1078–10(c)) is amended by adding at
9 the end the following new paragraph:

10 “(4) ADDITIONAL AMOUNTS FOR TEACHERS
11 EMPLOYED BY THE SAME LOCAL EDUCATIONAL
12 AGENCY FOR 5 CONSECUTIVE COMPLETE SCHOOL
13 YEARS.—

14 “(A) AMOUNTS.—Notwithstanding the
15 amount specified in paragraph (1), the aggre-
16 gate amount that the Secretary shall repay
17 under this section shall be not more than
18 \$17,500 in the case of an elementary or sec-
19 ondary school teacher—

20 “(i) who meets the requirements of
21 subsection (b); and

22 “(ii) who has been employed as a full-
23 time teacher for 5 consecutive complete
24 school years at the same local educational
25 agency.

1 “(B) INCLUSION OF PLUS LOANS.—A loan
2 made under section 428B (other than an ex-
3 cepted PLUS loan) shall be considered a quali-
4 fied loan amount for purposes of this para-
5 graph.

6 “(C) TREATMENT OF CONSOLIDATION
7 LOANS.—Notwithstanding paragraph (2), a
8 loan amount for a loan made under section
9 428C may be a qualified loan amount for the
10 purposes of this paragraph only to the extent
11 that such loan amount was used to repay a
12 Federal Direct Stafford Loan, a Federal Direct
13 Unsubsidized Stafford Loan, a Federal Direct
14 PLUS Loan (other than an excepted PLUS
15 loan), or a loan made under section 428, 428B
16 (other than an excepted PLUS loan), or 428H
17 for a borrower who meets the requirements of
18 subparagraph (A), as determined in accordance
19 with regulations prescribed by the Secretary.

20 “(D) EXCEPTED PLUS LOAN.—In this
21 paragraph, the term ‘excepted PLUS loan’ has
22 the meaning given the term in section
23 493C(a).”.

24 (b) WILLIAM D. FORD FEDERAL DIRECT LOAN PRO-
25 GRAM.—Section 460(c) of the Higher Education Act of

1 1965 (20 U.S.C. 1087j(c)) is amended by adding at the
 2 end the following new paragraph:

3 “(4) ADDITIONAL AMOUNTS FOR TEACHERS
 4 EMPLOYED BY THE SAME LOCAL EDUCATIONAL
 5 AGENCY FOR 5 CONSECUTIVE COMPLETE SCHOOL
 6 YEARS.—

7 “(A) AMOUNTS.—Notwithstanding the
 8 amount specified in paragraph (1), the aggre-
 9 gate amount that the Secretary shall cancel
 10 under this section shall be not more than
 11 \$17,500 in the case of an elementary or sec-
 12 ondary school teacher—

13 “(i) who meets the requirements of
 14 subsection (b); and

15 “(ii) who has been employed as a full-
 16 time teacher for 5 consecutive complete
 17 school years at the same local educational
 18 agency.

19 “(B) INCLUSION OF PLUS LOANS.—A Fed-
 20 eral Direct PLUS Loan (other than an ex-
 21 cepted PLUS loan) shall be considered a quali-
 22 fied loan amount for purposes of this para-
 23 graph.

24 “(C) TREATMENT OF CONSOLIDATION
 25 LOANS.—Notwithstanding paragraph (2), a

1 loan amount for a Federal Direct Consolidation
2 Loan may be a qualified loan amount for the
3 purposes of this paragraph only to the extent
4 that such loan amount was used to repay a
5 Federal Direct Stafford Loan, a Federal Direct
6 Unsubsidized Stafford Loan, a Federal Direct
7 PLUS Loan (other than an excepted PLUS
8 loan), or a loan made under section 428, 428B
9 (other than an excepted PLUS loan), or 428H
10 for a borrower who meets the requirements of
11 subparagraph (A), as determined in accordance
12 with regulations prescribed by the Secretary.

13 “(D) EXCEPTED PLUS LOAN.—In this
14 paragraph, the term ‘excepted PLUS loan’ has
15 the meaning given the term in section
16 493C(a).”.

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