

113TH CONGRESS
1ST SESSION

S. 440

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

IN THE SENATE OF THE UNITED STATES

MARCH 4, 2013

Mr. REID (for Mr. BEGICH) 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 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 2013” or “PRE ED
6 Act of 2013”.

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

3 Section 428J of the Higher Education Act of 1965
 4 (20 U.S.C. 1078–10) is amended—

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

8 (2) by striking subsection (b) and inserting the
 9 following:

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

15 “(1)(A) is a new borrower on or after October
 16 1, 1998, and has been employed as a full-time teach-
 17 er for 5 consecutive complete school years—

18 “(i) in a school or location that qualifies
 19 under section 465(a)(2)(A) for loan cancellation
 20 for Perkins loan recipients who teach in such
 21 schools or locations; and

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

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

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

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

11 (3) by striking paragraph (1) of subsection (c)
 12 and inserting the following:

13 “(1) IN GENERAL.—

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

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

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

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

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

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

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

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

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

20 (2) by striking subsection (b) and inserting the
21 following:

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

1 subsidized Stafford Loans made under this part for any
2 borrower who—

3 “(1)(A) is a new borrower on or after October
4 1, 1998 and has been employed as a full-time teach-
5 er for 5 consecutive complete school years—

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

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

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

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

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

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

“(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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