

115TH CONGRESS
2D SESSION

H. R. 5416

To amend the Higher Education Act of 1965 to establish a student loan forgiveness program for women who are small business owners.

IN THE HOUSE OF REPRESENTATIVES

MARCH 29, 2018

Ms. ADAMS (for herself, Ms. WILSON of Florida, Ms. BARRAGÁN, Ms. BORDALLO, and Mr. ESPAILLAT) introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Higher Education Act of 1965 to establish a student loan forgiveness program for women who are small business owners.

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 “Women Small Business
5 Growth Act”.

1 **SEC. 2. LOAN FORGIVENESS PROGRAM FOR SMALL BUSI-**
 2 **NESS OWNERS WHO ARE WOMEN.**

3 Part G of title IV of the Higher Education Act of
 4 1965 (20 U.S.C. 1087a) is amended by adding at the end
 5 the following:

6 **“SEC. 493E. LOAN FORGIVENESS PROGRAM FOR SMALL**
 7 **BUSINESS OWNERS WHO ARE WOMEN.**

8 “(a) PROGRAM AUTHORIZED.—The Secretary shall
 9 repay or cancel a qualified loan amount in accordance with
 10 subsection (b) for a loan made, insured, or guaranteed
 11 under part B or D for any borrower who meets one or
 12 more of the following:

13 “(1) The borrower is a woman who has been an
 14 owner of a small business concern owned and con-
 15 trolled by women for not less than 3 consecutive
 16 years.

17 “(2) The borrower is a woman who has been an
 18 owner of a small business concern that—

19 “(A) meets the requirements of paragraph
 20 (1); and

21 “(B) has created not less than 1 new job.

22 “(b) QUALIFIED LOAN AMOUNT.—

23 “(1) OWNERSHIP.—Upon completion of the
 24 third or fourth year of the ownership described in
 25 subsection (a)(1), the qualified loan amount for a

1 borrower, for each such year, shall be an amount
2 equal to—

3 “(A) 15 percent of the original, aggregate
4 principal amount of the loans; and

5 “(B) the amount of interest on such loans
6 that accrues during the most recent year of
7 such ownership.

8 “(2) JOB CREATION.—For each year that a
9 borrower meets the requirements of subsection
10 (a)(2), the qualified loan amount shall be an amount
11 equal to—

12 “(A) 20 percent of the original, aggregate
13 principal amount of the loans; and

14 “(B) the amount of interest on such loans
15 which has accrued (and which has not been for-
16 given under subsection (a)(1))—

17 “(i) in the case of the first new job
18 created that meets the requirements of
19 subsection (a)(2) after the borrower’s own-
20 ership period of not less than 3 consecutive
21 years, during such ownership period and
22 until such first job is created; and

23 “(ii) in the case of each succeeding
24 job created after such first job, during the
25 period beginning on the date such first job

1 was created and ending on the date of cre-
2 ation of such succeeding job.

3 “(c) EXCLUSION FROM INCOME.—The amount of a
4 loan, and interest on a loan, which is canceled under this
5 section shall not be considered income for purposes of the
6 Internal Revenue Code of 1986.

7 “(d) PREVENTION OF DOUBLE BENEFITS.—No bor-
8 rower may receive a reduction of loan obligations under
9 both this section and section 428J, 428K, 428L, 455(m),
10 or 460.

11 “(e) DEFINITIONS.—In this section:

12 “(1) ANNUAL ADJUSTMENT PERCENTAGE.—
13 The term ‘annual adjustment percentage’ is equal to
14 the estimated percentage change in the Consumer
15 Price Index (as determined by the Secretary, using
16 the definition in section 478(f)) for the most recent
17 calendar year.

18 “(2) NEW JOB.—The term ‘new job’ means an
19 employment position at a small business concern
20 owned and controlled by women that—

21 “(A) employs an individual who is not a
22 owner of such small business concern; and

23 “(B) provides a salary of not less than
24 \$30,000 per calendar year, increased by a per-
25 centage equal to the annual adjustment per-

1 centage for the calendar year for which the sal-
2 ary amount under this paragraph is being de-
3 termined.

4 “(3) SMALL BUSINESS CONCERN OWNED AND
5 CONTROLLED BY WOMEN.—The term ‘small business
6 concern owned and controlled by women’ has the
7 meaning given under section 3(n) of the Small Busi-
8 ness Act (15 U.S.C. 632(n)).”.

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