

115TH CONGRESS
2D SESSION

H. R. 6579

To amend the Higher Education Act of 1965 to provide no interest deferment eligibility for certain small business concerns, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 26, 2018

Mr. AGUILAR 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 provide no interest deferment eligibility for certain small business concerns, 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 “Recent Grads in Start-
5 Ups and Innovation Act”.

6 **SEC. 2. NO INTEREST DEFERMENT ELIGIBILITY FOR OWN-**
7 **ERS OF CERTAIN SMALL BUSINESSES.**

8 (a) AMENDMENTS.—Section 455(f)(2) of the Higher
9 Education Act of 1965 (20 U.S.C. 1087e(f)(2)) is amend-
10 ed—

1 (1) by striking “or” at the end of subparagraph
2 (C);

3 (2) by striking the period at the end of sub-
4 paragraph (D) and inserting “; or”; and

5 (3) by adding at the end the following:

6 “(E) not in excess of 4 years during which
7 the borrower is the owner of a small business
8 concern (as defined in section 3 of the Small
9 Business Act) that—

10 “(i) has at least one employee other
11 than the owner; and

12 “(ii) has its principal place of business
13 located in a qualified opportunity zone (as
14 defined in section 1400Z–1 of the Internal
15 Revenue Code of 1986).”.

16 (b) **EFFECTIVE DATE.**—The amendments made by
17 this section shall take effect 1 year after the date of enact-
18 ment of this Act.

19 **SEC. 3. REPORT.**

20 (a) **IN GENERAL.**—Not later than 1 year after the
21 first deferment is granted under section 455(f)(2)(E) of
22 the Higher Education Act of 1965 (20 U.S.C.
23 1087e(f)(2)), as added by this Act, the Secretary of Edu-
24 cation, in coordination with the Small Business Adminis-
25 tration, shall submit a report to Congress on—

1 (1) the number of recent college graduates who
2 applied to receive a deferment under such section,
3 disaggregated by—

4 (A) the number of such individuals who
5 were granted such a deferment; and

6 (B) the number of such individuals who
7 were not granted such a deferment;

8 (2) a description of the recent college graduates
9 who were granted such a deferment, disaggregated
10 by—

11 (A) the demographic information of the
12 graduate;

13 (B) the type of small business concern for
14 which the deferment was granted;

15 (C) the location of the small business con-
16 cern;

17 (D) the number of jobs created by the
18 small business concern; and

19 (E) any relevant information on the
20 growth of the small business concern; and

21 (3) recommendations to improve or create more
22 awareness of such deferment program.

23 (b) DEFINITION.—In this section:

24 (1) INSTITUTION OF HIGHER EDUCATION.—The
25 term “institution of higher education” has the

1 meaning given the term in section 102 of the Higher
2 Education Act of 1965 (20 U.S.C. 1002).

3 (2) RECENT COLLEGE GRADUATE.—The term
4 “recent college graduate” means an individual who
5 has been a graduate of an institution of higher edu-
6 cation with an associate or baccalaureate degree for
7 not more than 2 years.

8 (3) SMALL BUSINESS CONCERN.—The term
9 “small business concern” has the meaning given
10 under section 3 of the Small Business Act (15
11 U.S.C. 632).

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