

115TH CONGRESS
1ST SESSION

S. 1247

To provide for loan repayment for teachers in high-need schools.

IN THE SENATE OF THE UNITED STATES

MAY 25, 2017

Mr. HATCH (for himself and Mr. WARNER) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To provide for loan repayment for teachers in high-need schools.

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 “Teacher Loan Repay-
5 ment Act of 2017”.

6 **SEC. 2. LOAN REPAYMENT FOR TEACHERS.**

7 (a) SUNSETS.—The Higher Education Act of 1965
8 (20 U.S.C. 1001 et seq.) is amended—

9 (1) in section 420O—

1 (A) by striking “Beginning” and inserting

2 “(a) IN GENERAL.—Beginning”; and

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

4 “(b) SUNSET.—Beginning on the date of enactment
5 of the Teacher Loan Repayment Act of 2017, the Sec-
6 retary shall not award funds under this subpart for new
7 TEACH Grants.”;

8 (2) in section 428J, by adding at the end the
9 following:

10 “(i) SUNSET.—Beginning on the date of enactment
11 of the Teacher Loan Repayment Act of 2017, the Sec-
12 retary shall not enter into a new agreement to assume the
13 obligation to repay a qualified loan amount under this sec-
14 tion.”;

15 (3) in section 428K—

16 (A) by redesignating subsection (h) as sub-
17 section (i); and

18 (B) by inserting after subsection (g) the
19 following:

20 “(h) SUNSET.—Beginning on the date of enactment
21 of the Teacher Loan Repayment Act of 2017, the Sec-
22 retary shall not enter into a new agreement to forgive a
23 qualified loan amount under this section.”; and

24 (4) in section 460, by adding at the end the fol-
25 lowing:

1 “(i) SUNSET.—Beginning on the date of enactment
 2 of the Teacher Loan Repayment Act of 2017, the Sec-
 3 retary shall not enter into a new agreement to cancel the
 4 obligation to repay a qualified loan amount under this sec-
 5 tion.”.

6 (b) LOAN REPAYMENT FOR TEACHERS.—Title IV of
 7 the Higher Education Act of 1965 (20 U.S.C. 1070 et
 8 seq.) is amended by adding at the end the following:

9 **“PART J—LOAN REPAYMENT FOR TEACHERS**

10 **“SEC. 499A. LOAN REPAYMENT FOR TEACHERS.**

11 “(a) PURPOSE.—The purpose of this section is to en-
 12 courage highly qualified individuals to enter and continue
 13 in the teaching profession, and to ensure qualified effective
 14 teachers are encouraged to work in high-need schools.

15 “(b) DEFINITIONS.—In this section:

16 “(1) CHILD WITH A DISABILITY.—The term
 17 ‘child with a disability’ has the meaning given the
 18 term in section 602 of the Individuals with Disabil-
 19 ities Education Act.

20 “(2) STUDENT LOAN.—The term ‘student loan’
 21 means a loan—

22 “(A) made, insured, or guaranteed under
 23 part B, except as provided in subparagraph (C);

24 “(B) made under part D or E, except as
 25 provided in subparagraph (C); or

1 “(C) made under section 428C or 455(g),
 2 to the extent that such loan was used to repay
 3 a Federal Direct Stafford Loan, a Federal Di-
 4 rect Unsubsidized Stafford Loan, or a loan
 5 made under section 428 or 428H.

6 “(c) PROGRAM AUTHORIZED.—The Secretary shall
 7 carry out a program under which the Department of Edu-
 8 cation shall assume the obligation to repay a student loan,
 9 by direct payments on behalf of a borrower to the holder
 10 of such loan, in accordance with subsection (e), for any
 11 borrower who—

12 “(1) is not in default on a loan for which the
 13 borrower seeks forgiveness; and

14 “(2) is employed as a full-time teacher for serv-
 15 ice in an academic year (including such a teacher
 16 employed by an educational service agency)—

17 “(A) in a public elementary school or sec-
 18 ondary school, which, for the purpose of this
 19 paragraph and for that year—

20 “(i) has been determined by the Sec-
 21 retary (after consultation with the State
 22 educational agency of the State in which
 23 the school is located) to be a school in
 24 which the number of children meeting a
 25 measure of poverty under section

1 1113(a)(5) of the Elementary and Sec-
2 ondary Education Act of 1965, is not less
3 than 40 percent of the total number of
4 children enrolled in such school; and

5 “(ii) is in a school district served by
6 a local educational agency that is eligible
7 in such year for assistance pursuant to
8 part A of title I of the Elementary and
9 Secondary Education Act of 1965; or

10 “(B) in a public elementary school or sec-
11 ondary school or location operated by an edu-
12 cational service agency, which, for the purpose
13 of this paragraph and for that year, has been
14 determined by the Secretary (after consultation
15 with the State educational agency of the State
16 in which the educational service agency oper-
17 ates) to be a school or location in which the
18 number of children taught who meet a measure
19 of poverty under section 1113(a)(5) of the Ele-
20 mentary and Secondary Education Act of 1965,
21 is not less than 40 percent of the total number
22 of children taught at such school or location.

23 “(d) SPECIAL RULES.—

24 “(1) LIST.—If the list of schools in which a
25 teacher may perform service pursuant to subsection

(c)(2) is not available before May 1 of any year, the Secretary may use the list for the year preceding the year for which the determination is made to make such service determination.

“(2) CONTINUING ELIGIBILITY.—Any teacher who performs service in a school during which time their service meets the requirements of subsection (c)(2) in any year, and, in a subsequent year, fails to meet the requirements of such subsection, may continue to teach in such school and shall be eligible for loan cancellation pursuant to this section in subsequent years.

“(3) CHOICE OF LOAN REPAYMENT PROGRAM.—An individual who, on the date of enactment of the Teacher Loan Repayment Act of 2017, is participating in a loan repayment program under section 428J, 428K, or 460, may choose to continue to participate in such program or may enter into participation in the program under this section if eligible to participate in the program under this section.

“(e) TERMS OF LOAN REPAYMENT.—

“(1) BORROWER AGREEMENT.—The Secretary and an individual who desires to receive student loan repayment under this section shall enter into an agreement that includes a provision that to remain

1 eligible to receive student loan repayment under this
2 section, the individual shall remain employed in the
3 school or location for which the individual gained eli-
4 gibility for student loan repayment under this sec-
5 tion.

6 “(2) STUDENT LOAN PAYMENT AMOUNT.—

7 “(A) IN GENERAL.—In the agreement de-
8 scribed in paragraph (1), the Secretary shall
9 agree to make a student loan payment for such
10 individual of \$250 a month for the first and
11 second year of teaching, \$300 a month for the
12 third year of teaching, \$350 a month for the
13 fourth year of teaching, and \$400 a month for
14 the fifth and sixth year of teaching.

15 “(B) MAXIMUM TOTAL AMOUNT.—The
16 maximum total amount of student loan pay-
17 ments made by the Secretary for an individual
18 under this section shall be \$23,400.

19 “(C) REMAINING BALANCE.—An individual
20 shall enter repayment on any remaining prin-
21 cipal and interest due on a student loan for
22 which the Secretary has made payments under
23 this section after the maximum total amount
24 has been reached under subparagraph (B).

1 “(3) BEGINNING OF PAYMENTS.—Nothing in
2 this section shall authorize the Secretary to pay any
3 amount to reimburse a borrower for any student
4 loan payments made by such borrower prior to the
5 date on which the Secretary entered into an agree-
6 ment with the borrower under this subsection.”.

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