

115TH CONGRESS  
2D SESSION

# S. 2682

To establish a student loan forgiveness plan for certain borrowers who are employed at a qualified farm or ranch.

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## IN THE SENATE OF THE UNITED STATES

APRIL 17, 2018

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

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## A BILL

To establish a student loan forgiveness plan for certain borrowers who are employed at a qualified farm or ranch.

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 “Student Loan Forgive-  
5       ness for Farmers and Ranchers Act”.

6       **SEC. 2. LOAN FORGIVENESS FOR FARMERS AND RANCH-**  
7       **ERS.**

8       (a) AMENDMENT TO THE HEA.—Part D of title IV  
9       of the Higher Education Act of 1965 (20 U.S.C. 1087a  
10       et seq.) is amended by adding at the end the following:

1 **“SEC. 460A. LOAN FORGIVENESS FOR FARMERS AND**  
 2 **RANCHERS.**

3 “(a) QUALIFIED FARM OR RANCH.—In this section,  
 4 the term ‘qualified farm or ranch’ means, with respect to  
 5 a year, a farm or ranch whose earnings of gross revenue  
 6 during the year from the sale of agricultural products are  
 7 equal to or greater than—

8 “(1) in the case of 2017, \$35,000; or

9 “(2) in the case of any succeeding year, the  
 10 amount applicable under this subparagraph for the  
 11 previous year increased by the estimated percentage  
 12 change in the Consumer Price Index (as determined  
 13 by the Secretary, using the definition in section  
 14 478(f)) for the most recent preceding such year.

15 “(b) IN GENERAL.—The Secretary shall cancel the  
 16 balance of interest and principal due, in accordance with  
 17 subsection (c), on any eligible Federal Direct Loan not  
 18 in default for a borrower who—

19 “(1) at the time of initial entrance into the ag-  
 20 ricultural student loan forgiveness program—

21 “(A) is employed full-time as an employee  
 22 or manager of a qualified farm or ranch; and

23 “(B) is—

24 “(i) a beginning farmer or rancher (as  
 25 defined under section 343(a) of the Con-

1 consolidated Farm and Rural Development  
2 Act (7 U.S.C. 1991(a)));

3 “(ii) an individual from a population  
4 that is underrepresented in the agricultural  
5 profession (as determined by the Sec-  
6 retary), such as minorities or women;

7 “(iii) a socially disadvantaged farmer  
8 or rancher (as defined in section 355(e) of  
9 the Consolidated Farm and Rural Develop-  
10 ment Act (7 U.S.C. 2003(e))); or

11 “(iv) a veteran farmer or rancher (as  
12 defined in section 2501(e) of the Food, Ag-  
13 riculture, Conservation, and Trade Act of  
14 1990 (7 U.S.C. 2279(e));

15 “(2) makes 120 monthly payments on the eligi-  
16 ble Federal Direct Loan after the date of enactment  
17 of the Student Loan Forgiveness for Farmers and  
18 Ranchers Act, pursuant to any one or a combination  
19 of—

20 “(A) payments under an income-based re-  
21 payment plan under section 493C;

22 “(B) payments under a standard repay-  
23 ment plan under section 455(d)(1)(A), based on  
24 a 10-year repayment period;

1 “(C) monthly payments under a repayment  
 2 plan under subsection (d)(1) or (g) of section  
 3 455 of not less than the monthly amount cal-  
 4 culated under section 455(d)(1)(A), based on a  
 5 10-year repayment period; or

6 “(D) payments under an income contin-  
 7 gent repayment plan under section  
 8 455(d)(1)(D);

9 “(3) is employed full-time as an employee or  
 10 manager of a qualified farm or ranch at the time of  
 11 such forgiveness; and

12 “(4) has been employed full-time as an em-  
 13 ployee or manager of a qualified farm or ranch dur-  
 14 ing the period in which the borrower makes each of  
 15 the qualifying payments described in paragraph (2).

16 “(c) LOAN CANCELLATION AMOUNT.—After the con-  
 17 clusion of the employment period described in subsection  
 18 (b), the Secretary shall cancel the obligation to repay the  
 19 balance of principal and interest due as of the time of such  
 20 cancellation, on the eligible Federal Direct Loans made  
 21 to the borrower under this part.

22 “(d) REMOVAL FROM THE PROGRAM.—

23 “(1) IN GENERAL.—Subject to paragraph (2),  
 24 the Secretary shall remove a borrower from the agri-

1 cultural student loan forgiveness program if the bor-  
2 rower—

3 “(A) was less than 40 years old when the  
4 borrower entered the agricultural student loan  
5 forgiveness program, and that borrower fails to  
6 be employed full-time as an employee or man-  
7 ager of a qualified farm or ranch for a cumu-  
8 lative period of more than 7 years after enter-  
9 ing the program; or

10 “(B) was 40 years old or older when the  
11 borrower entered the agricultural student loan  
12 forgiveness program, and that borrower fails to  
13 be employed full-time as an employee or man-  
14 ager of a qualified farm or ranch for a cumu-  
15 lative period of more than 3 years after enter-  
16 ing the program.

17 “(2) EXCEPTION FOR MILITARY SERVICE.—The  
18 Secretary shall not consider any of the following as  
19 a period of time counting toward removal from the  
20 agricultural student loan forgiveness program for  
21 purposes of paragraph (1):

22 “(A) Time serving on active duty during a  
23 war or other military operation or national  
24 emergency.

1           “(B) Time performing qualifying National  
2           Guard duty during a war or other military op-  
3           eration or national emergency.

4           “(C) The 180-day period following the de-  
5           mobilization date for the service described in  
6           subparagraph (A) or (B).

7           “(3) READMISSION PROHIBITED.—The Sec-  
8           retary shall not allow a borrower who has been re-  
9           moved from the agricultural student loan forgiveness  
10          program under this section to be readmitted to the  
11          program, unless the Secretary finds that the bor-  
12          rower has experienced exceptional circumstances.

13          “(e) ELIGIBLE FEDERAL DIRECT LOAN.—The term  
14          ‘eligible Federal Direct Loan’ means a Federal Direct  
15          Stafford Loan, Federal Direct PLUS Loan, or Federal  
16          Direct Unsubsidized Stafford Loan, or a Federal Direct  
17          Consolidation Loan.”.

18          (b) REGULATIONS.—Not more than 180 days after  
19          the date of enactment of this Act, the Secretary of Edu-  
20          cation, in consultation with the Secretary of Agriculture,  
21          shall promulgate final regulations to carry out this section,  
22          including regulations relating to the process of tracking  
23          and verifying work as an employee or manager of a quali-

- 1 fied farm or ranch for purposes of section 460A of the
- 2 Higher Education Act of 1965 (as added by this Act).

