

116TH CONGRESS
1ST SESSION

S. 2168

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

IN THE SENATE OF THE UNITED STATES

JULY 18, 2019

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

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
 7 are—

8 “(1) not less than—

9 “(A) in the case of 2019, \$35,000; and

10 “(B) in the case of any succeeding year,
 11 the amount applicable under this paragraph for
 12 the previous year increased by the estimated
 13 percentage change in the Consumer Price Index
 14 (as determined by the Secretary, using the defi-
 15 nition in section 478(f)) for the most recent
 16 preceding year; and

17 “(2) not more than—

18 “(A) in the case of 2019, \$1,000,000; and

19 “(B) in the case of any succeeding year,
 20 the amount applicable under this paragraph for
 21 the previous year increased by the estimated
 22 percentage change in the Consumer Price Index
 23 (as determined by the Secretary, using the defi-
 24 nition in section 478(f)) for the most recent
 25 preceding year.

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

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

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

9 “(B) is—

10 “(i) a beginning farmer or rancher (as
11 defined under section 343(a) of the Con-
12 solidated Farm and Rural Development
13 Act (7 U.S.C. 1991(a)));

14 “(ii) an individual from a population
15 that is underrepresented in the agricultural
16 profession (as determined by the Sec-
17 retary), such as minorities or women;

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

22 “(iv) a veteran farmer or rancher (as
23 defined in section 2501(a) of the Food,
24 Agriculture, Conservation, and Trade Act
25 of 1990 (7 U.S.C. 2279(a)));

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

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

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

11 “(C) monthly payments under a repayment
12 plan under subsection (d)(1) or (g) of section
13 455 of not less than the monthly amount cal-
14 culated under section 455(d)(1)(A), based on a
15 10-year repayment period; or

16 “(D) payments under an income contin-
17 gent repayment plan under section
18 455(d)(1)(D);

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

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

1 “(c) LOAN CANCELLATION AMOUNT.—After the con-
2 clusion of the employment period described in subsection
3 (b), the Secretary shall cancel the obligation to repay the
4 balance of principal and interest due as of the time of such
5 cancellation, on the eligible Federal Direct Loans made
6 to the borrower under this part.

7 “(d) REMOVAL FROM THE PROGRAM.—

8 “(1) IN GENERAL.—Subject to paragraph (2),
9 the Secretary shall remove a borrower from the agri-
10 cultural student loan forgiveness program if the bor-
11 rower—

12 “(A) was less than 40 years old when the
13 borrower entered the agricultural student loan
14 forgiveness program, and that borrower fails to
15 be employed full-time as an employee or man-
16 ager of a qualified farm or ranch for a cumu-
17 lative period of more than 7 years after enter-
18 ing the program; or

19 “(B) was 40 years old or older when the
20 borrower entered the agricultural student loan
21 forgiveness program, and that borrower fails to
22 be employed full-time as an employee or man-
23 ager of a qualified farm or ranch for a cumu-
24 lative period of more than 3 years after enter-
25 ing the program.

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

6 “(A) Time serving on active duty during a
 7 war or other military operation or national
 8 emergency.

9 “(B) Time performing qualifying National
 10 Guard duty during a war or other military op-
 11 eration or national emergency.

12 “(C) The 180-day period following the de-
 13 mobilization date for the service described in
 14 subparagraph (A) or (B).

15 “(3) READMISSION PROHIBITED.—The Sec-
 16 retary shall not allow a borrower who has been re-
 17 moved from the agricultural student loan forgiveness
 18 program under this section to be readmitted to the
 19 program, unless the Secretary finds that the bor-
 20 rower has experienced exceptional circumstances.

21 “(e) ELIGIBLE FEDERAL DIRECT LOAN.—The term
 22 ‘eligible Federal Direct Loan’ means a Federal Direct
 23 Stafford Loan, Federal Direct PLUS Loan, or Federal
 24 Direct Unsubsidized Stafford Loan, or a Federal Direct
 25 Consolidation Loan.”.

1 (b) REGULATIONS.—Not more than 180 days after
2 the date of enactment of this Act, the Secretary of Edu-
3 cation, in consultation with the Secretary of Agriculture,
4 shall promulgate final regulations to carry out this section,
5 including regulations relating to the process of tracking
6 and verifying work as an employee or manager of a quali-
7 fied farm or ranch for purposes of section 460A of the
8 Higher Education Act of 1965 (as added by this Act).

