

116TH CONGRESS
1ST SESSION

H. R. 781

To require the Secretary of Education to provide a deferment for certain student loans of Federal employees subject to a lapse in discretionary appropriations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 24, 2019

Mr. PERLMUTTER (for himself and Mr. HURD of Texas) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To require the Secretary of Education to provide a deferment for certain student loans of Federal employees subject to a lapse in discretionary appropriations, 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 “Student Loan Relief
5 for Feds Act”.

1 **SEC. 2. SPECIAL DEFERMENT FOR FEDERAL EMPLOYEES**
 2 **DURING LAPSE IN APPROPRIATIONS.**

3 (a) SPECIAL DEFERMENT.—Part G of the Higher
 4 Education Act of 1965 (20 U.S.C. 1088 et seq.) is amend-
 5 ed by adding at the end the following:

6 **“SEC. 493E. SPECIAL DEFERMENT FOR FEDERAL EMPLOY-**
 7 **EES DURING LAPSE IN APPROPRIATIONS.**

8 “(a) EFFECT ON PRINCIPAL AND INTEREST.—A bor-
 9 rower of a loan made, insured, or guaranteed under part
 10 B or part D, who meets the requirements described in sub-
 11 section (b) shall be eligible for a deferment, during
 12 which—

13 “(1) periodic installments of principal need not
 14 be paid; and

15 “(2) in the case of a—

16 “(A) loan made, insured, or guaranteed
 17 under part B, the Secretary shall repay any in-
 18 terest owed; and

19 “(B) loan made under part D, interest
 20 shall not accrue.

21 “(b) ELIGIBILITY.—A borrower of a loan described
 22 in subsection (a) shall be eligible for a deferment during—

23 “(1) any period in which such borrower is an
 24 employee—

25 “(A) of a Federal agency that is subject to
 26 a lapse in discretionary appropriations;

1 “(B) of a private entity that has a contract
2 with a Federal agency subject to a lapse in dis-
3 cretionary appropriations who is not paid dur-
4 ing such period due to such lapse in discre-
5 tionary appropriations;

6 “(C) who is an employee of a State or
7 other Federal grantee—

8 “(i) whose compensation is advanced
9 or reimbursed in whole or in part by the
10 Federal Government, and

11 “(ii) who is furloughed due to a lapse
12 in Federal discretionary appropriations; or

13 “(D) who is furloughed due to a lapse in
14 Federal discretionary appropriations as an em-
15 ployee of the District of Columbia Courts, the
16 Public Defender Service for the District of Co-
17 lumbia, or the District of Columbia government;
18 and

19 “(2) the 3 months after the date on which the
20 lapse in discretionary appropriations described in
21 subparagraphs (A) through (D) of paragraph (1) ap-
22 plicable to such employee has ended.”.

23 (b) EFFECT OF SHUTDOWN DEFERMENT ON PUBLIC
24 SERVICE LOAN FORGIVENESS.—Section 455(m) of the

1 Higher Education Act of 1965 (20 U.S.C. 1087e(m)) is
2 amended by adding at the end the following:

3 “(5) TREATMENT OF MISSED MONTHLY PAY-
4 MENTS DURING SPECIAL DEFERMENT.—For pur-
5 poses of calculating the 120 monthly payments on
6 an eligible Federal Direct Loan under paragraph
7 (1)(A), the Secretary shall treat an unpaid payment
8 on a loan under a repayment plan described in
9 clauses (i) through (iv) of paragraph (1)(A) that oc-
10 curs during a deferment under section 493E as if
11 such monthly payment was made on the loan.”.

○