

# Luncheon Keynote Presentation

Rep. Tom Petri (R-Wis.)

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## Petri Introduces Bill to Simplify and Improve Federal Student Loans

Apr 24, 2013 | Issues: [Education](#)

**Washington, D.C.**—Today, Congressman Tom Petri (R-WI), a senior member of the Education and Workforce Committee, introduced the Earnings Contingent Education Loans (ExCEL) Act of 2013 with Rep. Jared Polis (D-CO) to simplify and improve student loan repayment for borrowers and save taxpayer dollars. The innovative, bipartisan legislation would improve and expand income-based repayment for borrowers and put in place a long-term fix to the student loan interest rate question.

Currently, federal student loan borrowers are automatically placed in a mortgage-like repayment schedule which never varies throughout repayment. Under the ExCEL Act, borrowers would pay an affordable percentage of their income until the loan is repaid.

"It's pretty simple if you think about it," said Petri. "When students graduate from college, traditionally they will make less. And then as they progress in their professional career they'll earn more. The repayment schedule should follow this trend so that borrowers pay less early on and more as they earn more."

Borrowers currently have the option of enrolling in income-based repayment (IBR) but the paperwork burden makes it cumbersome for borrowers. Under the ExCEL Act, borrowers would be able to have their payments withheld from their paychecks along with payroll taxes. This makes repayment automatically responsive to borrowers' economic situation so they pay off their loan quicker as they earn more but are

protected during periods of low-earnings or unemployment.

"If you lose your job, your first thought is probably not 'I need to update my income information with the Department of Education,'" said Petri. "Other countries have implemented universal income-based repayment but they do it in a far simpler way by using the employer withholding system.

"These reforms are proven to work. In Great Britain—one of the major economies that has a similar system—98 percent of borrowers are meeting their obligations, whereas in the U.S. over 13 percent of borrowers *default* on their student loans within three years of entering repayment."

In addition, this proposal offers better financial protections for borrowers. Under the ExCEL Act, interest on student loans would not compound during repayment and would be capped at 50 percent of the loan's balance upon graduation. "Students would have to repay what they borrow, but they wouldn't face interest spiraling out-of-control," Petri said.

The ExCEL Act would save taxpayer dollars by eliminating loan subsidies made obsolete by the bill's reforms and by consolidating unnecessary programs currently in existence. With respect to interest rates, the ExCEL Act proposes moving to market-based interest rates by tying interest rates to the 10-year Treasury rate. President Obama and Senators Coburn, Alexander, and Burr have called for similar reforms as a long-term solution for interest rates.

"Right now, when students take out loans to invest in their education, they are too often running the risk of financial ruin that comes with failing to pay back student loans," said Polis. "The ExCEL Act streamlines our complicated student loan system and provides protections that help young people to pay back their loans and establish good credit. I am proud to support a system that will keep student loan payments affordable and make it easier for young people to succeed."

Reps. Petri and Polis are both members of the Education and Workforce Committee.

For more information on the ExCEL Act and Rep. Petri's

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Petri Introduces Bill to Simplify and Improve Federal Student Loans | Congressman Tom Petri

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initiatives on student loan reform, please visit  
[petri.house.gov/studentloans](http://petri.house.gov/studentloans).

<http://petri.house.gov/press-release/petri-introduces-bill-simplify-and-improve-federal-student-loans>

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HR 1716 IH

113th CONGRESS

1st Session

**H. R. 1716**

To simplify and improve the Federal student loan program through income-contingent repayment to provide stronger protections for borrowers, encourage responsible borrowing, and save money for taxpayers.

**IN THE HOUSE OF REPRESENTATIVES****April 24, 2013**

Mr. PETRI (for himself and Mr. POLIS) introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

**A BILL**

To simplify and improve the Federal student loan program through income-contingent repayment to provide stronger protections for borrowers, encourage responsible borrowing, and save money for taxpayers.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the 'Earnings Contingent Education Loans Act of 2013' or the 'ExCEL Act of 2013'.

**SEC. 2. TERMINATION OF AUTHORITY TO MAKE FEDERAL DIRECT STAFFORD LOANS, FEDERAL DIRECT UNSUBSIDIZED STAFFORD LOANS, AND FEDERAL DIRECT PLUS LOANS TO STUDENTS UNDER THE WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM.**

Section 455(a) of the Higher Education Act of 1965 (20 U.S.C. 1087e(a)) is amended by adding at the end the following:

“(4) TERMINATION OF AUTHORITY TO MAKE FEDERAL DIRECT STAFFORD LOANS, FEDERAL DIRECT UNSUBSIDIZED STAFFORD LOANS, AND FEDERAL DIRECT

## PLUS LOANS TO STUDENTS UNDER THIS PART-

`(A) IN GENERAL- Notwithstanding any provision of this part or part B, for any period of instruction beginning on or after July 1, 2014--

`(i) a student shall not be eligible to receive a Federal Direct Stafford Loan under this part; and

`(ii) a student shall not be eligible to receive a Federal Direct Unsubsidized Stafford Loan or Federal Direct PLUS Loan under this part, except as provided in subparagraph (B).

`(B) EXCEPTIONS- Subparagraph (A)(ii) shall not be applicable with respect to the following:

`(i) EXISTING STUDENT BORROWERS- A student who, as of July 1, 2014, has an outstanding balance of principal or interest owing on any loan made, insured, or guaranteed under part B or this part may continue to be eligible to borrow a loan under this part, except for a Federal Direct Stafford Loan, in accordance with subparagraph (C) until June 30, 2019.

`(ii) PARENT PLUS LOANS- An excepted PLUS loan or excepted consolidation loan (as such terms are defined in section 493C(a)) under this part that is made to a parent on behalf of an undergraduate dependent student.

`(iii) FEDERAL DIRECT CONSOLIDATION LOANS- A Federal Direct Consolidation Loan under this part.

`(C) MAXIMUM ANNUAL AMOUNTS OF FEDERAL DIRECT UNSUBSIDIZED STAFFORD LOANS- The maximum annual amount of Federal Direct Unsubsidized Stafford Loans a student described in subparagraph (B)(i) may borrow in an academic year (as defined in section 481(a)(2)) or its equivalent shall be the maximum annual amount for such student determined under section 428H, plus an amount equal to the amount of Federal Direct Stafford Loans the student would have received in the absence of subparagraph (A)(i).<sup>1</sup>.

### **SEC. 3. ESTABLISHMENT OF THE INCOME DEPENDENT EDUCATION ASSISTANCE LOAN PROGRAM AND THE IDEA LOAN REPAYMENT PROGRAM.**

Title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.) is amended by adding at the end the following new part:

### ***`PART J--INCOME DEPENDENT EDUCATION ASSISTANCE LOANS***

## **Subpart 1--IDEA Loans**

### **SEC. 499A. PROGRAM AUTHORITY AND AGREEMENTS.**

#### **(a) Program Authority-**

(1) IN GENERAL- There are hereby made available, in accordance with the provisions of this part, such sums as may be necessary to make loans to all eligible students in attendance at participating institutions of higher education selected by the Secretary, to enable such students to pursue their courses of study at such institutions during the period beginning July 1, 2014. Loans made under this part shall be made by participating institutions, or consortia thereof, that have agreements with the Secretary to originate loans, or by alternative originators designated by the Secretary to make loans for students in attendance at participating institutions.

(2) DESIGNATION- The program established under this subpart shall be referred to as the 'Income Dependent Education Assistance Loan Program', or the 'IDEA Loan Program'.

(b) Funds for the Origination of IDEA Loans- The Secretary shall provide funds for student loans under this part in the same manner as the Secretary provides funds for the origination of Federal Direct Student Loans under part D in accordance with section 452. The requirements, rights, and limitations under section 452 with respect to the Secretary and institutions for funds provided for loans under part D shall apply with respect to the Secretary and institutions for funds provided for loans under this part, except that funds under this part shall not be provided for parent loans.

#### **(c) Selection of Institutions for Participation and Origination, and Agreements With Institutions-**

(1) SELECTION OF INSTITUTIONS FOR PARTICIPATION AND ORIGINATION- The Secretary shall enter into agreements with institutions of higher education to participate in the IDEA Loan Program under this part and agreements with institutions of higher education, or consortia thereof, to originate loans in such program for academic years beginning on or after July 1, 2014. The provisions of section 453 shall apply with respect to agreements under this section. The Secretary shall provide alternative origination services for loans under this part, as appropriate, in a manner consistent with the provisions of sections 453 and 456 related to alternative origination services for loans under part D.

(2) PARTICIPATION AND ORIGINATION AGREEMENTS WITH INSTITUTIONS- An agreement with any institution of higher education for participation in the IDEA Loan Program under this part, and an agreement with any institution of higher education, or consortia thereof, to originate loans in such program, shall have the same terms as the terms required under section 454 for agreements with an institution for participation or origination, respectively, in the student loan program under part D, except that agreements for participation or origination under this part shall not apply to parent loans.

`(3) WITHDRAWAL AND TERMINATION PROCEDURES- The Secretary shall establish procedures by which institutions or consortia may withdraw or be terminated from the program under this part.

## **SEC. 499B. TERMS AND CONDITIONS OF IDEA LOANS.**

`(a) Parallel Terms, Conditions, Benefits, and Amounts- Unless otherwise specified in this part, Income Dependent Education Assistance Loans (hereinafter referred to as `IDEA Loans') made to borrowers under this part shall have the same terms, conditions, and benefits, and be available in the same amounts, as Federal Direct Unsubsidized Stafford Loans made to borrowers under part D, and first disbursed on the day before the date of enactment of the Earnings Contingent Education Loans Act of 2013.

`(b) Eligible Borrowers-

`(1) IN GENERAL- In addition to the requirements of section 484, to be eligible to receive a loan (other than an IDEA Consolidation Loan) under this part, a borrower--

`(A) shall be an individual who, on the date of application for such loan, has no outstanding balance of principal or interest owing on any loan made, insured, or guaranteed under part B or D (other than an excepted PLUS loan or an excepted consolidation loan (as such terms are defined in section 493C(a)); or

`(B) in the case of an individual with an outstanding balance of principal or interest owing on any loan described in subparagraph (A), shall consolidate all such existing loans into an IDEA Consolidation Loan under section 499C.

`(2) ONLY STUDENT BORROWERS ELIGIBLE- For purposes of this part, the term `borrower' shall not include a parent borrower.

`(c) Annual and Aggregate Limits-

`(1) IN GENERAL- Subject to paragraph (2), the maximum annual amount of IDEA Loans in any academic year (as defined in section 481(a)(2)) or its equivalent, and the maximum aggregate amount of IDEA Loans that a student may borrow, shall be the maximum annual amounts and maximum aggregate amounts, respectively, of Federal Direct Unsubsidized Stafford Loans under part D that such student would have been eligible to borrow in the absence of section 455(a)(4), as added by Earnings Contingent Education Loans Act of 2013.

`(2) GRADUATE AND PROFESSIONAL STUDENTS- In the case of a graduate or professional student who would have been eligible to borrow a Federal Direct PLUS Loan under part D in the absence of section 455(a)(4), as added by Earnings Contingent Education Loans Act of 2013, the maximum annual amounts and maximum aggregate amounts, respectively, of IDEA Loans that the student may borrow as determined under paragraph (1) for any academic year (as defined in section 481(a)(2)) or its equivalent, may be increased to an amount equal to the maximum annual amounts and maximum aggregate amounts, respectively, of Federal Direct PLUS Loans that such student would

have been eligible to borrow in the absence of such section 455(a)(4).

`(d) Loan Fee- The Secretary shall charge the borrower of a loan (other than an IDEA Consolidation Loan) made under this part an origination fee. Such fee shall be the sum of--

`(1) for the portion of the principal amount of the loan that is equal to (or less than) the maximum annual amount a student may borrow under subsection (c)(1), 1.0 percent of such portion of the principal amount of the loan; plus

`(2) for the portion of the principal amount of the loan that exceeds the maximum annual amount a student may borrow under subsection (c)(1), as authorized by subsection (c)(2), 4.0 percent of such portion of the principal amount of the loan.

`(e) Interest Rates-

`(1) IN GENERAL- Except as provided in paragraph (2), for IDEA Loans for which the first disbursement is made on or after July 1, 2014, the applicable rate of interest shall, during any 12-month period beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to--

`(A) the bond equivalent rate of 10-year Treasury bills auctioned at the final auction held prior to such June 1; plus

`(B) 3.0 percent.

`(2) CERTAIN GRADUATE AND PROFESSIONAL STUDENTS- Notwithstanding paragraph (1), with respect to graduate or professional students who have increased maximum annual and aggregate loan limits under subsection (c)(2), for IDEA Loans for which the first disbursement is made on or after July 1, 2014, the applicable rate of interest shall be the weighted average of--

`(A) the rate determined under paragraph (1) for the portion of the principal amount of the loan that is equal to (or less than) the maximum annual amount a student may borrow under subsection (c)(1); and

`(B) the rate determined under paragraph (1), except that `4.1 percent' shall be substituted for `3.0 percent' in such determination, for the portion of the principal amount of the loan that exceeds the maximum annual amount a student may borrow under subsection (c)(1), as authorized by subsection (c)(2).

`(3) CONSULTATION- The Secretary shall determine the applicable rate of interest under paragraph (1) after consultation with the Secretary of the Treasury and shall publish such rate in the Federal Register as soon as practicable after the date of determination.

`(4) APPLICATION OF INTEREST RATE DURING THE LIFE OF THE LOAN-

`(A) FIXED RATE UNTIL CAP- The applicable rate of interest determined under paragraph (1) or (2) for an IDEA Loan shall be fixed for the life of the loan, except that interest shall cease to accrue when the total amount of interest (both paid and

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unpaid) that has accrued during the borrower's grace and repayment periods equals 50 percent of the total amount of the loan (equal to the sum of the unpaid principal, interest, penalties, and fees due on the loan) as of first day of the borrower's grace period.

`(B) IN-SCHOOL DEFERMENT PERIOD- Interest shall accrue and be capitalized or paid by the borrower (but periodic installments of principal need not be paid) during the in-school deferment period with respect to an IDEA Loan. For the purposes of this part, the in-school deferment period with respect to an IDEA Loan is the first period during which the borrower is pursuing at least one-half the normal full-time academic workload (as determined by the institution) in the course of study for which the borrower received such loan and ending on the first day of the first month that begins after the borrower ceases to carry at least one-half the normal full-time academic workload (as determined by the institution) in the course of study.

`(C) GRACE AND REPAYMENT PERIODS- Interest that accrues during the borrower's grace period (for the purposes of this title, defined as the period between the borrower's in-school deferment period and the borrower's repayment period) and during the borrower's repayment period shall not be capitalized.

`(f) Armed Forces Student Loan Interest Payment Program- Using funds received by transfer to the Secretary under section 2174 of title 10, United States Code, for the payment of interest on a loan made under this part to a member of the Armed Forces, the Secretary shall pay the interest on the loan as due for a period not in excess of 36 consecutive months. The Secretary may not pay interest on such a loan out of any funds other than funds that have been so transferred.

`(g) No Accrual of Interest for Active Duty Service Members-

`(1) IN GENERAL- Notwithstanding any other provision of this part and in accordance with paragraphs (2) and (4), interest shall not accrue for an eligible military borrower on a loan made under this part for which the first disbursement is made on or after July 1, 2014.

`(2) IDEA CONSOLIDATION LOANS- In the case of any IDEA Consolidation loan made under this part that is disbursed on or after July 1, 2014, interest shall not accrue pursuant to this subsection only on such portion of such loan as was used to repay a loan made under part D for which the first disbursement is made on or after October 1, 2008.

`(3) ELIGIBLE MILITARY BORROWER- In this subsection, the term eligible military borrower means an individual who--

`(A)(i) is serving on active duty during a war or other military operation or national emergency; or

`(ii) is performing qualifying National Guard duty during a war or other military operation or national emergency; and

`(B) is serving in an area of hostilities in which service qualifies for special pay under

section 310 of title 37, United States Code.

`(4) LIMITATION- An individual who qualifies as an eligible military borrower under this subsection may receive the benefit of this subsection for not more than 60 months.

`(h) Loan Cancellation and Discharge- The Secretary shall discharge a borrower's liability on a loan made under this part in accordance with subsections (a) and (c) of section 437.

`(i) No Public Service Loan Forgiveness- A loan made under this part shall not be eligible for the public service loan forgiveness program under section 455(m).

**SEC. 499C. IDEA CONSOLIDATION LOANS.**

`(a) IDEA Consolidation Loans-

`(1) IN GENERAL- Except as provided in this section, an IDEA Consolidation Loan under this section shall have the same terms, conditions, and benefits, as IDEA Loans under this part.

`(2) BORROWER AND LOAN ELIGIBILITY- To be eligible to receive an IDEA Consolidation Loan under this section, a borrower--

`(A) shall--

`(i) meet the criteria described in section 428C(a)(3)(A); and

`(ii) in the case of a borrower described in section 499B(b)(1)(B), agree to consolidate into an IDEA Consolidation Loan all loans made to the borrower that are described in subparagraphs (A) and (C) of section 428C(a)(4) (other than an excepted PLUS loan or an excepted consolidation loan (as such terms are defined in section 493C(a)));

`(B) may consolidate the loans described in subparagraphs (B), (D), and (E) of section 428C(a)(4) into such IDEA Consolidation Loan; and

`(C) may not consolidate an IDEA Loan under section 499B into such IDEA Consolidation Loan.

`(3) REQUIREMENTS FOR THE SECRETARY- In making IDEA Consolidation Loans under this section, the Secretary--

`(A) shall ensure that--

`(i) each IDEA Consolidation Loan will be made, notwithstanding any other provision of this title limiting the annual or aggregate principal amount for all loans made to the borrower, in an amount which is equal to the sum of the unpaid principal, interest, penalties, and fees of all loans received by the borrower which are selected by the borrower for consolidation under this

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section; and

`(ii) the proceeds of each IDEA Consolidation Loan will be paid by the Secretary to the holder or holders of the loans being consolidated to discharge the liability on such loans;

`(B) shall not discriminate against any borrower seeking such an IDEA Consolidation Loan--

`(i) based on the number or type of loans the borrower seeks to consolidate;

`(ii) based on the interest rate to be charged to the borrower with respect to the consolidation loan; or

`(iii) based on the type or category of institution of higher education that the borrower attends or attended; and

`(C) shall disclose to a prospective borrower, in simple and understandable terms, at the time the Secretary provides an application for an IDEA Consolidation Loan--

`(i) whether consolidation would result in a loss of loan benefits under part B or part D, including loan forgiveness, cancellation, and deferment;

`(ii) with respect to Federal Perkins Loans under part E--

`(I) that if a borrower includes a Federal Perkins Loan under part E in the consolidation loan, the borrower will lose all interest-free periods that would have been available for the Federal Perkins Loan, including--

`(aa) the periods during which no interest accrues on such loan while the borrower is enrolled in school at least half-time;

`(bb) the grace period under section 464(c)(1)(A); and

`(cc) the periods during which the borrower's student loan repayments are deferred under section 464(c)(2);

`(II) that if a borrower includes a Federal Perkins Loan in the consolidation loan, the borrower will no longer be eligible for cancellation of part or all of the Federal Perkins Loan under section 465(a); and

`(III) the occupations listed in section 465 that qualify for Federal Perkins Loan cancellation under section 465(a);

`(iii) the options of the borrower to prepay the IDEA Consolidation Loan;

`(iv) the consequences of default on the IDEA Consolidation Loan; and

`(v) that by applying for an IDEA Consolidation Loan, the borrower is not

obligated to agree to take the consolidation loan.

“(b) Interest Rate-

“(1) IN GENERAL- Notwithstanding section 499B(e), an IDEA Consolidation Loan for which the application is received on or after July 1, 2014, shall bear interest at an annual rate on the unpaid principal balance of the loan that is equal to the weighted average of the interest rates on the loans consolidated, rounded to the nearest higher one-eighth of one percent. Interest that accrues on such an IDEA Consolidation Loan shall not be capitalized.

“(2) APPLICATION OF INTEREST RATE DURING THE LIFE OF THE LOAN- The applicable rate of interest determined under paragraph (1) shall be fixed for the life of the IDEA Consolidation Loan, except that interest shall cease to accrue when the total amount of interest (both paid and unpaid) that has accrued on such Loan equals 50 percent of the total amount of the loans consolidated (as calculated on the date such Consolidation Loan is made, and equal to the sum of the unpaid principal, interest, penalties, and fees of all loans received by the borrower which are selected by the borrower for consolidation under this section).

**“Subpart 2--IDEA Loan Repayment Program**

**“CHAPTER 1--ESTABLISHMENT OF THE IDEA LOAN REPAYMENT PROGRAM**

**“SEC. 499D. DUTIES OF THE SECRETARY OF THE TREASURY.**

“(a) In General- The Secretary of the Treasury, in consultation with the Secretary of Education, shall establish a program (hereinafter referred to as the “IDEA Loan Repayment Program”) that provides for--

“(1) repaying loans under this part through voluntary wage withholding and quarterly estimated payments as provided in subsection (b)); and

“(2) transmitting to the Secretary of Education--

“(A) an account of the amounts collected under subsection (b) with respect to each individual for whom a loan made under this part is in repayment status; and

“(B) such tax return information of each such individual as is necessary to determine the individual's income-based repayment obligation as provided in subsection (c).

“(b) Wage Withholding and Estimated Payments-

“(1) IN GENERAL- The Secretary of the Treasury shall, under rules similar to the rules of chapter 24 of the Internal Revenue Code of 1986, provide for employers making payment of wages to deduct and withhold upon such wages amounts determined in accordance with tables or computational procedures prescribed by the Secretary with respect to an

employee who elects withholding under this subsection with respect to a loan made under this part that is in repayment status and, if so elected, with respect to any such loans of the employee's spouse.

`(2) WITHHOLDING REQUIREMENTS- The tables, procedures, and guidance prescribed under paragraph (1) shall provide--

`(A) for the election to have amounts withheld as provided under this subsection,

`(B) procedures and forms for an employee to indicate--

`(i) whether the employee (and, in the case of a married individual, whether the employee's spouse) has a loan made under this part that is in repayment status;

`(ii) in the case of a married individual, whether the employee anticipates filing jointly (and accompanying guidance explaining that if filing status for the taxable year is uncertain the employee should indicate filing jointly to avoid underwithholding);

`(iii) whether the exemption amount to which the employee is entitled under this section should be taken into account in determining withholding (and accompanying guidance explaining that, in order to avoid underwithholding, the employee should only take into account the exemption in the case of the employee's primary employer, unless total wages from more than one place of employment will not exceed the exemption amount);

`(iv) in the case of a married individual, whether the exemption amount to which the employee's spouse is entitled under this section should be taken into account in determining withholding from the wages of the employee (and accompanying guidance explaining that, in order to avoid underwithholding, the employee should only take into account such exemption if such spouse is not employed, or if the total wages from the employee's job and the spouse's employment will not exceed the exemption amount;

`(v) the number of dependents of the employee with respect to whom the employee is entitled to a deduction under section 151(c) of the Internal Revenue Code of 1986, and, if a different number, in the case of a married employee, the number of dependents of the employee's spouse with respect to whom such spouse is entitled to such deduction; and

`(vi) an election to have additional amounts withheld; and

`(C) for withholding with respect to any employee in an amount equal to the sum of--

`(i) in the case of an employee who has a loan made under this part in repayment status, the percentage of so much of the employee's wages that would count towards the employee's income-based repayment obligation

provided in subsection (c) as exceeds any exemption amount taken into account with respect to the employee under subparagraph (A)(iii) (prorated to the payroll period), plus

(ii) in the case of an employee who indicates that the employee's spouse has a loan made under this part in repayment status, the percentage of so much of the employee's wages that would count towards the employee's spouse's income-based repayment obligation (as provided in subsection (c)) as exceeds any exemption amount taken into account with respect to the employee's spouse under subparagraph (A)(iv) (prorated to the payroll period).

(3) QUARTERLY ESTIMATED TAX PAYMENTS- In the case of taxpayers who make quarterly estimated tax return payments under section 6654 of the Internal Revenue Code of 1986 and who have a loan made under this part in repayment status, the Secretary shall provide similar tables and procedures for making voluntary repayments of loans made under this part concurrently with such quarterly payments.

(4) COLLECTION AND PAYMENT- The amounts required to be deducted and withheld under paragraph (1), and amounts required to be paid under paragraph (3), shall be collected by the Secretary of the Treasury and shall be paid into the general fund of the Treasury of the United States.

(c) Determination of Income-based Repayment Obligation-

(1) IN GENERAL- As soon as practicable after an individual for whom a loan made under this part is in repayment status during the taxable year files an income tax return for such taxable year, the Secretary of the Treasury shall transmit to the Secretary of Education such tax information as is necessary to determine--

(A) the amount deducted and withheld under subsection (b)(1), and the amount paid under subsection (b)(3), for the taxable year with respect to such individual, and

(B) the income-based repayment obligation for the taxable year for such individual.

(2) INCOME-BASED REPAYMENT OBLIGATION- For purposes of this section:

(A) IN GENERAL- The income-based repayment obligation with respect to an individual for any taxable year is an amount equal to 15 percent of the excess of--

(i) the sum of--

(I) the wages, salaries, tips, and other employee compensation of the taxpayer, but only if such amounts are includible in gross income for the taxable year (determined without regard to section 911, 931, 933),

(II) the amount of the taxpayer's net earnings from self-employment for the taxable year (within the meaning of section 1402(a)), determined with

regard to the deduction allowed to the taxpayer by section 164(f), plus

`(III) any other amount included in total income of the taxpayer for the taxable year but not described in subclause (I) or (II), over

`(ii) the sum of--

`(I) the exemption amount with respect to such individual, plus

`(II) the lesser of the amount determined with respect to the taxpayer under subclauses (II) and (III) of clause (i), or \$3,000.

`(B) SPECIAL RULES FOR MARRIED INDIVIDUALS-

`(i) EACH SPOUSE WITH LOAN- Except as provided in clause (ii), in the case of a joint return of two individuals who each have a loan made under this part in repayment status, the income-based repayment obligation with respect to each spouse shall be an amount determined under subparagraph (A) by apportioning 1/2 of the total income on such return to each spouse.

`(ii) SPECIAL RULE FOR FIRST YEAR OF MARRIAGE- In the case of the first taxable year for which any two individuals make a joint return, the income-based repayment obligation with respect to such an individual shall be an amount equal to the lesser of--

`(I) the amount determined with respect to such individual under this paragraph (determined without regard to this clause), or

`(II) the amount determined with respect to such individual under this paragraph (determined by allocating to each spouse the amounts described in subclause (I) and (II) of subparagraph (A)(i) in proportion to the amounts attributable to each spouse, by allocating 1/2 of the amount described in subparagraph (A)(i)(III) to each spouse, and without regard to clause (i)).

`(C) EXCLUSION OF CERTAIN AMOUNTS PAID ON BEHALF OF INDIVIDUAL- Any amount paid on the borrower's behalf under section 499E(5) shall not be taken into account in determining such borrower's income-based repayment obligation.

`(3) EXEMPTION AMOUNT- For purposes of this section:

`(A) IN GENERAL- Except as provided in subparagraph (B), the exemption amount with respect to an individual shall be an amount equal to 150 percent of the poverty line for the individual's household size (as determined under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) for the calendar year in which the taxable year ends.

`(B) SPECIAL RULE FOR MARRIED INDIVIDUALS WHO BOTH HAVE LOANS MADE UNDER THIS PART- If for any taxable year an individual is married, files a

joint return, and has a spouse with a loan made under this part in repayment status, then the exemption amount with respect to such individual shall be an amount equal to the sum of--

`(i) 150 percent of the poverty line for a household size of one (as determined under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) for the calendar year in which the taxable year ends, and

`(ii) 1/2 of the excess of--

`(I) 150 percent of the poverty line for the individual's household size minus 1 (as determined under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) for the calendar year in which the taxable year ends, over

`(II) the amount determined under clause (i).

`(C) HOUSEHOLD SIZE- For purposes of this paragraph, an individual's household size shall be determined by reference to the individual, the number of dependents of the taxpayer with respect to whom the taxpayer is entitled to a deduction under section 151(c) of the Internal Revenue Code of 1986, and, if married and filing jointly, such individual's spouse.

`(4) INDIVIDUALS NOT FILING A RETURN-

`(A) INDIVIDUALS NOT REQUIRED TO FILE- The income-based repayment obligation with respect to an individual not required to file a return under section 6012(a)(1) of the Internal Revenue Code of 1986 shall be treated as zero.

`(B) FAILURE TO FILE- In the case of an individual who makes an election under subsection (b) with respect to a loan made under this part in repayment status and fails to file a return under section 6012(a)(1), the Secretary of the Treasury shall transmit to the Secretary of Education any such tax information of the individual as may be necessary to determine whether such individual is in default under the terms of such loan.

`(5) SUBSEQUENT TRANSMISSION OF EMPLOYER INFORMATION REPORTING- As soon as practicable after receiving from an employer information reporting with respect to withholding under subsection (b)(1) of an individual, the Secretary of the Treasury shall transmit to the Secretary of Education such information as may be useful in verifying the information with respect to withholding transmitted under paragraph (1).

`(d) Additional Program Requirements- The Secretary of the Treasury shall establish such other policies, procedures, and guidance as may be necessary to carry out the purposes of this section, including measures to prevent underwithholding, under-reporting, and evasion of repayment or filing. Amounts shall be deducted and withheld under this section as the Secretary determines to be most appropriate to carry out the purposes of the IDEA Loan Repayment Program and to reflect, as accurately as is practicable, an individual's income-

based repayment obligation.

## **SEC. 499E. DUTIES OF THE SECRETARY OF EDUCATION.**

The Secretary shall carry out the following activities as part of the IDEA Loan Repayment Program established under this chapter:

(1) **CALCULATION OF ANNUAL REPAYMENT AMOUNTS-** The Secretary shall calculate the annual repayment amounts under 499F(b) for borrowers with 1 or more loans made under this part in repayment status, including the income-based repayment obligations of such borrowers in accordance with section 499D(c)(2).

(2) **COMMUNICATION WITH THE SECRETARY OF THE TREASURY-** The Secretary shall transmit to the Secretary of the Treasury such information as is necessary for the Secretary of the Treasury to carry out section 499D.

(3) **ANNUAL STATEMENTS-** Upon calculating the annual repayment amounts under paragraph (1) for a taxable year, the Secretary shall provide a statement, on an annual basis, to each borrower with a loan made under this part, which lists the following:

(A) Total payments made on the borrower's annual repayment amount for such taxable year.

(B) The borrower's annual repayment amount for such taxable year.

(C) In the case of a borrower who, according to section 499F(f), has underpaid such annual repayment amount, the amount of such underpayment and the process for paying such underpayment under section 499F(f)(2).

(D) In the case of a borrower with an overpayment on such annual repayment amount, the amount of such overpayment and the process for requesting a refund of such amount under section 499F(g), if applicable.

(E) The outstanding balances on all the loans made to the borrower under this part.

(F) A description of how the borrower's annual repayment amount was calculated under paragraph (1) or (2) of section 499F(b).

(4) **DIRECT PAYMENT-** The Secretary shall enable a borrower to make direct payments on the borrower's annual repayment amount for the taxable year to the Secretary throughout the year, including by providing a process for the borrower to make such payments automatically, on a periodic basis, and in an amount specified by the borrower.

(5) **PAYMENTS ON A TAXPAYER'S BEHALF-** The Secretary shall--

(A) provide a mechanism for other individuals or entities to make payments on the annual repayment amount of a borrower for a taxable year; and

`(B) notify the borrower that any payments made under subparagraph (A) for the taxable year that exceed the annual repayment amount for the year shall not be refunded to the borrower.

`(6) CALCULATING INTEREST ACCRUED- The Secretary shall calculate the interest accrued for the taxable year as if the borrower's payments under wage withholding or quarterly estimated payments under section 499D(b) for the taxable year were made in 12 equal increments throughout the year.

`(7) MANAGING LOANS- The Secretary shall provide, through the Internet, a tool that has an interface that is consistent for all borrowers with a loan under this part, which enables each such borrower to--

`(A) view the outstanding balances on the borrower's loans made under this part;

`(B) make a direct payment on the borrower's annual repayment amount or indicate that any overpayment should be refunded or applied to such loans as a prepayment amount;

`(C) view prior annual statements for such loans provided under paragraph (3);

`(D) view a history of payments made on such loans (including the method and source of each payment, such as tax withholding, estimated taxes, direct payment, or payments made on the borrower's behalf);

`(E) view the borrower's annual repayment amount for that year, the amount already paid on such annual repayment amount, and any amount owed by the borrower or due to be refunded to the borrower;

`(F) view the borrower's loans made under this part that have been paid off;

`(G) enable the borrower to initiate an appeal process under paragraph (8); and

`(H) easily determine whether benefits under the Servicemembers Civil Relief Act (50 U.S.C. App. 501 et seq.), if applicable, have been applied to the borrower's loans made under this part.

`(8) APPEALS PROCESS- The Secretary shall make available a process through which a borrower can appeal the calculation of the borrower's annual repayment amount, including a worksheet that enables a borrower to calculate the borrower's annual repayment amount.

`(9) DEFAULT FOR FAILURE TO FILE A RETURN- In a case in which the Secretary receives information from the Secretary of the Treasury under section 499D(c)(4) that a borrower with a loan made under this part in repayment status has failed to file a return under section 6012(a)(1) of the Internal Revenue Code of 1986 and such borrower was required to file such a return, the Secretary shall--

`(A) notify the borrower of the borrower's failure to file such a return; and

`(B) if the borrower fails to file such a return within 90 days of receipt of the notice described in subparagraph (A), consider the borrower's loans made under this part in repayment status to be in default.

`(10) NATIONAL DIRECTORY OF NEW HIRES- The Secretary shall send notices to borrowers under paragraph (5) of section 435(i) of the Social Security Act (42 U.S.C. 653(i)), as added by section 5 of the Earnings Contingent Education Loans Act of 2013.

## **CHAPTER 2--BORROWER REPAYMENT OF IDEA LOANS AND IDEA CONSOLIDATION LOANS**

### **SEC. 499F. BORROWER REPAYMENT.**

`(a) Repayment Period- The repayment period of a loan made under this part shall--

`(1) begin on the first day of the first taxable year that begins after the borrower's in-school deferment period, or in the case of an IDEA Consolidation Loan, on the first day of the first taxable year that begins after such Consolidation Loan is disbursed; and

`(2) continue until the loan is paid in full, except that the Secretary may grant a borrower forbearance of the borrower's annual repayment amount--

`(A) for a period not to exceed 60 days, due to administrative or technical reasons;

`(B) for a period not to exceed 3 months, due to unusual circumstances that disrupt the borrower's ability to make timely payments on the loan; or

`(C) renewable at 12-month intervals for a period not to exceed 3 years, due to documented extreme economic hardship on the part of a borrower.

`(b) Annual Repayment Amount- The annual repayment amount under this part for a taxable year for a borrower with 1 or more loans made under this part in repayment status shall be equal to the lesser of--

`(1) the income-based repayment obligation for such borrower for such year, as calculated under section 499E(1); or

`(2) an amount equal to the sum of the outstanding balances (equal to the sum of the unpaid principal, interest, penalties, and fees) that the borrower owes on such loans.

`(c) Methods of Repayment- In repaying an annual repayment amount owed by a borrower for a taxable year, a borrower may--

`(1) with respect to any wages earned by the borrower that are subject to Federal income tax withholding, have amounts withheld upon such wages under section 499D(b)(2);

`(2) in the case of a borrower who makes quarterly estimated tax return payments under section 6654 of the Internal Revenue Code of 1986 for the year, pay such annual

repayment amount concurrently with such quarterly payments under section 499D(b)(3);

`(3) make direct payments under section 499E(4) on such amount to the Secretary throughout the year; or

`(4) have other individuals or entities make payments under section 499E(5) on the borrower's annual repayment amount for the year.

`(d) Order of Crediting- Payments on loans made under this part shall be applied, without regard to the method of such payments, first toward penalties due on the loans, next toward any fees due on the loans, then toward any interest due on the loans, and finally toward the principal due on the loan with the highest applicable rate of interest among such loans.

`(e) Prepayment Authorized- A borrower shall have the right to prepay all or part of such loan, at any time and without penalty. Any such prepayment amount will be applied to loans made under this part in the same order as described in subsection (d).

`(f) Underpayments-

`(1) PENALTIES FOR UNDERPAYMENTS-

`(A) IN GENERAL- Subject to subparagraph (C), if, as of the last day of a taxable year, a borrower has not paid at least 90 percent of the borrower's annual repayment amount for such year, the borrower shall be charged a penalty in an amount equal to 10 percent of the difference between--

    `(i) an amount equal to 90 percent of the borrower's annual repayment amount for such year; and

    `(ii) the amount paid on such annual repayment amount as of such day.

`(B) INCREASE OF ANNUAL REPAYMENT AMOUNT- A borrower's annual repayment amount calculated under subsection (b) for such year shall be increased by the amount of such penalty, but such penalty shall not be treated as a principal or interest amount for a loan made under this part.

`(C) EXCEPTION- A borrower who has paid 100 percent of the borrower's annual repayment amount for the taxable year preceding the taxable year described in subparagraph (A) shall not be subject to the penalty under this paragraph for the taxable year described in subparagraph (A).

`(2) RECONCILING UNDERPAYMENTS-

`(A) IN GENERAL- If, as of the last day of a taxable year, the sum of the payments made on a borrower's annual repayment amount for such year is less than the total amount of the borrower's annual repayment amount for such year, the borrower--

    `(i) in the case of the first year that the borrower has a difference between such amounts--

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(I) may request, in such manner as the Secretary shall require, that the Secretary reduce the borrower's annual repayment amount for such year to the sum of--

(aa) the payments made, as of such day, on the borrower's annual repayment amount for such year; and

(bb) any penalties calculated under paragraph (1) resulting from such underpayment; and

(II) if the borrower qualifies for the reduction requested under subclause (I), shall pay the sum calculated under such subclause at such time and in such manner as required by the Secretary;

(ii) if the borrower does not qualify for a reduction under clause (i) or does not request such a reduction, shall pay to the Secretary an amount equal to the difference between such amounts within the 30-day period beginning on the date of receipt by the borrower of the borrower's annual statement described in section 499E(3) for such year; or

(iii) if the borrower fails to pay the amount owed by the borrower as calculated under clause (ii) within the 30-day period, shall be charged a penalty equal to 2 percent of such amount for each month (prorated based on the percentage of a month such penalty is charged) that such amount is owed or until the borrower defaults on the loan for which such amount is owed, whichever occurs first.

(B) DEFAULT- A loan for which an amount is owed under subparagraph (A) and that is not paid within 360 days after the date of receipt by the borrower of the borrower's annual statement described in subparagraph (A) shall be considered to be default.

(g) Overpayments- If, as of the last day of a taxable year, the sum of the payments made on a borrower's annual repayment amount for such year is greater than the total amount of the borrower's annual repayment amount for such year, the Secretary shall--

(1) refund the overpayment amount, if the borrower notifies the Secretary, within the 90-day period beginning on the date of receipt of the borrower's annual statement described in section 499E(3) for such year and in a manner prescribed by the Secretary, that the borrower desires to have the overpayment amount refunded; or

(2) if a borrower fails to notify the Secretary of the borrower's desire for a refund of such amount within such 90-day period, apply such amount as a prepayment to the borrower's loans made under this part in the same manner as a prepayment authorized under subsection (e).

(h) Employer Failure To Withhold Payments- In the case of a borrower whose employer fails to withhold amounts under section 499D(b)(2) upon any wages earned by the borrower that are subject to Federal income tax withholding and with respect to which the borrower made an

election to have amounts withheld under section 499(b)(2), the Secretary shall--

(1) reduce the borrower's annual repayment to an amount equal to the borrower's annual repayment amount had wages from such employer been excluded when calculating the borrower's annual repayment amount; and

(2) reduce any penalties for underpayments calculated under subsection (f)(1) and refund any overpayments on such annual repayment amount, accordingly.'

**SEC. 4. CONFORMING CHANGES TO THE HIGHER EDUCATION ACT OF 1965.**

(a) Loan Forgiveness and Cancellation for Teachers-

(1) LOAN FORGIVENESS FOR TEACHERS- Section 428J of the Higher Education Act of 1965 (20 U.S.C. 1078-10) is amended--

(A) in subsection (b), by inserting 'or for an IDEA loan made under part J,' after 'or 428H,'; and

(B) in subsection (c)--

(i) in paragraph (1), by inserting 'or an IDEA loan made under part J' after 'or 428H'; or

(ii) in paragraph (2)--

(I) by striking 'A loan' and inserting the following:

'(A) LOANS MADE UNDER SECTION 428C- A loan'; and

(II) by adding at the end the following new subparagraph:

'(B) IDEA CONSOLIDATION LOAN- A loan amount for an IDEA Consolidation Loan may be a qualified loan amount for purposes of this subsection only to the extent that such loan amount was used to repay a Federal Direct Stafford Loan, a Federal Direct Consolidation Loan, a Federal Direct Unsubsidized Stafford Loan, or a loan made under section 428, 428C, or 428H.'

(2) LOAN CANCELLATION FOR TEACHERS- Section 460 of such Act (20 U.S.C. 1087j) is amended--

(A) in subsection (b), by inserting 'or for an IDEA loan made under part J' after 'under this part';

(B) in subsection (c)--

(i) in paragraph (1), by striking 'or a Federal Direct Unsubsidized Stafford Loan' and inserting ', a Federal Direct Unsubsidized Stafford Loan, or an IDEA loan made under part J'; and

(ii) in paragraph (2)--

(I) by striking 'A loan' and inserting the following:

'(A) FEDERAL DIRECT CONSOLIDATION LOAN- A loan'; and

(II) by adding at the end the following new subparagraph:

'(B) IDEA CONSOLIDATION LOAN- A loan amount for an IDEA Consolidation Loan may be a qualified loan amount for purposes of this subsection only to the extent that such loan amount was used to repay a Federal Direct Stafford Loan, a Federal Direct Consolidation Loan, a Federal Direct Unsubsidized Stafford Loan, or a loan made under section 428, 428C, or 428H.'

(b) Loan Forgiveness for Service in Areas of National Need- Section 428K(a)(2) of such Act (20 U.S.C. 1078-11(a)(2)) is amended--

(1) by striking 'and' at the end of subparagraph (A);

(2) by striking the period at the end of subparagraph (B) and inserting '; and'; and

(3) by adding at the end the following new subparagraph:

'(C) to cancel the qualified loan amount for a loan made under part J of this title.'

(c) Loan Repayment for Civil Legal Assistance Attorneys- Section 428L(b)(2)(A) of such Act (20 U.S.C. 1078-12(b)(2)(A)) is amended--

(1) in clause (1), by striking 'or part E' and inserting ', part E, or part J'; and

(2) in clause (ii)--

(A) in the matter preceding subclause (I), by striking 'or 455(g)' and inserting ', 455(g), or 499C';

(B) by striking 'or' at the end of subclause (II);

(C) by redesignating subclause (III) as subclause (IV); and

(D) by inserting after subclause (II) the following:

'(III) a Federal Direct Consolidation loan or a loan made under section 428C, in the case of a loan made under section 499C; or'

(d) Master Promissory Note- Section 432(m)(1)(D) of such Act (20 U.S.C. 1082(m)(1)(D)) is amended--

(1) by striking 'this part and part D' each place it appears and by inserting 'this part, part D, and part J'; and

(2) by striking `this part or part D' each place it appears and by inserting `this part, part D, or part J'.

(e) Contracts- Section 456 of such Act (20 U.S.C. 1087f) is amended--

(1) in subsection (a)--

(A) in paragraph (2), by striking `this part' each place it appears and inserting `this part or part J'; and

(B) in paragraph (4), by inserting `or part J' after `this part'; and

(2) in subsection (b)--

(A) in paragraph (1), by inserting `or the program under part J' after `(or their parents)';

(B) in paragraph (2), by inserting `or part J' after `this part';

(C) in paragraph (3), by inserting `or part J' after `this part'; and

(D) in paragraph (4), by inserting `or the IDEA Loan Program' after `loan program'.

(f) Funds for Administrative Expenses- Section 458(a)(3) of such Act (20 U.S.C. 1087h(a)(3)) is amended--

(1) by striking `this part and part B' and inserting `this part, part B, and part J'; and

(2) by inserting before the period at the end the following: `and part J'.

(g) Student Eligibility- Section 484 of such Act (20 U.S.C. 1091) is amended--

(1) in subsection (b)--

(A) in paragraph (3), by striking `or D' and inserting `, D, or E'; and

(B) in paragraph (4)(B), by striking `or E' and inserting `E, or J';

(2) in subsection (d), by striking `and E' and inserting `E, and J';

(3) in subsection (f), by striking `or part E' each place it appears and inserting `part E, or part J'; and

(4) in subsection (m), by striking `and E' and inserting `E, and J'.

(h) Institutional and Financial Assistance Information for Students- Section 485 of such Act (20 U.S.C. 1092) is amended--

(1) in subsection (a)--

(A) in paragraph (1)(M), by striking `and E' and inserting `E, and J'; and

(B) in paragraph (7)(A)(i), by striking `Loan)' each place it appears and inserting `Loan) or part J';

(2) in subsection (b)--

(A) in paragraph (1)(A)--

(i) in the matter preceding clause (i), by inserting `or made under part J' after `part E'; and

(ii) in clause (vii)--

(I) by inserting `or an IDEA Consolidation Loan' after `Federal Direct Consolidation Loan'; and

(II) by striking `and E' and inserting `E, and J'; and

(B) in paragraph (2)(A), by striking `or E' and inserting `E, or J'; and

(3) in subsection (l)(1)--

(A) in subparagraph (A), in the matter preceding clause (i), by inserting `or made under part J' after `student)'; and

(B) in subparagraph (B), by striking `or D' and inserting `, D, or J'.

## SEC. 5. NATIONAL DIRECTORY OF NEW HIRES.

Section 435(j) of the Social Security Act (42 U.S.C. 653(i)) is amended by adding at the end the following new paragraph:

`(5) SENDING NOTICE TO BORROWERS OF CERTAIN STUDENT LOANS- The Secretary of Education shall have access to the information in the National Directory of New Hires for purposes of, on at least a monthly basis--

`(A) determining when individuals with an IDEA Loan or IDEA Consolidation loan made under part J of title IV of the Higher Education Act of 1965 in repayment status are hired by employers who are making payments of wages to such individuals; and

`(B) sending a notice to each such individual to remind such individual that--

`(i) the individual has 1 or more loan described in subparagraph (A) in repayment status;

`(ii) the individual is responsible for providing accurate information to the individual's employer to ensure that the employer will deduct and withhold upon such wages amounts to repay such loans in accordance with section

499D(b) of the Earnings Contingent Education Loans Act of 2013; and

`(iii) failure to provide such accurate information will likely result in significant penalties, default, or collections proceedings.'

## **SEC. 6. WITHHELD AMOUNTS INCLUDED ON W-2.**

(a) In General- Subsection (a) of section 6051 of the Internal Revenue Code of 1986 is amended by striking `and' at the end of paragraph (13), by striking the period at the end of paragraph (14) and inserting `, and', and by inserting after paragraph (14) the following new paragraph:

`(15) the total amount deducted and withheld under the IDEA Loan Repayment Program established under chapter 1 of subpart 2 of part J of title IV of the Higher Education Act of 1965.'

(b) Effective Date- The amendments made by this section shall apply to amounts deducted and withheld after the date of the enactment of this Act.

## **SEC. 7. DISCLOSURE OF RETURN INFORMATION FOR PURPOSES OF IDEA LOAN REPAYMENT PROGRAM.**

(a) In General- Subsection (l) of section 6103 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

`(23) DISCLOSURE OF RETURN INFORMATION TO DEPARTMENT OF EDUCATION FOR PURPOSES OF ADMINISTERING IDEA LOAN REPAYMENT PROGRAM-

`(A) IN GENERAL- The Secretary shall, upon written request, disclose to the Department of Education such return information as is necessary for purposes of carrying out the IDEA Loan Repayment Program established under subpart 2 of part J of the Higher Education Act of 1965.

`(B) RESTRICTION ON DISCLOSURE- Return information disclosed under subparagraph (A) may be used by officers, employees, and contractors of the Department of Education only for purposes of, and to the extent necessary in--

`(i) determining income-based repayment obligations under the IDEA Loan Repayment Program, and

`(ii) determining amounts deducted and withheld, and amounts paid concurrently with quarterly estimated taxes, under the IDEA Loan Repayment Program.'

(b) Effective Date- The amendments made by this section shall take effect on the date of the enactment of this Act.

**SEC. 8. SENSE OF CONGRESS.**

It is the sense of Congress that any loan repayment or forgiveness program available under a Federal law outside of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) to students with loans made under part D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq.) should be available to students with loans made under part J of such title of such Act.

*END*

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