

107TH CONGRESS  
2D SESSION

# H. R. 5718

To amend the Higher Education Act of 1965 to expand and improve the program of loan forgiveness for teachers, and to amend the Elementary and Secondary Education Act of 1965 to focus the expenditure of certain recruitment and professional development funds on high-need local educational agencies.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 13, 2002

Mr. GRAVES introduced the following bill; which was referred to the Committee on Education and the Workforce

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## A BILL

To amend the Higher Education Act of 1965 to expand and improve the program of loan forgiveness for teachers, and to amend the Elementary and Secondary Education Act of 1965 to focus the expenditure of certain recruitment and professional development funds on high-need local educational agencies.

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. LOAN FORGIVENESS FOR TEACHERS.**

4       (a) **ELIMINATION OF NEW BORROWER RESTRIC-**  
5       **TIONS.—**

1           (1) FFEL PROGRAM.—Section 428J(b) of the  
 2           Higher Education Act of 1965 (20 U.S.C. 1078–  
 3           10(b)) is amended by striking “for any new bor-  
 4           rower on or after October 1, 1998, who” and insert-  
 5           ing “for any borrower who”.

6           (2) FEDERAL DIRECT LOAN PROGRAM.—Section  
 7           460(b)(1) of such Act (20 U.S.C. 1087j(b)(1)) is  
 8           amended by striking “for any new borrower on or  
 9           after October 1, 1998, who” and inserting “for any  
 10          borrower who”.

11          (b) EXPANSION OF ELIGIBLE TEACHING LOCATIONS  
 12          AND SUBJECTS; ELIMINATING DELAY IN SERVICE BEN-  
 13          EFIT.—

14           (1) FFEL PROGRAM.—Section 428J(b)(1) of  
 15           such Act is amended by striking everything pre-  
 16           ceding subparagraph (B) and inserting the following:

17           “(1) has been employed—

18           “(A)(i) as a full-time teacher in a school  
 19           that qualifies under section 465(a)(2)(A) for  
 20           loan cancellation for Perkins loan recipients  
 21           who teach in such schools;

22           “(ii) as a full-time special education teach-  
 23           er, as described in section 465(a)(2)(C);

24           “(iii) as a full-time teacher in the fields of  
 25           mathematics or science; or

1 “(iv) as a full-time teacher in a school that  
2 is located in a high-need local educational agen-  
3 cy, as that term is defined in section 2102 of  
4 the Elementary and Secondary Education Act  
5 of 1965;”.

6 (2) FEDERAL DIRECT LOAN PROGRAM.—Section  
7 460(b)(1)(A) of such Act (20 U.S.C.  
8 1087j(b)(1)(A)) is amended by striking everything  
9 preceding clause (ii) and inserting the following:

10 “(A) has been employed—

11 “(i)(I) as a full-time teacher in a  
12 school that qualifies under section  
13 465(a)(2)(A) for loan cancellation for Per-  
14 kins loan recipients who teach in such  
15 schools;

16 “(II) as a full-time special education  
17 teacher, as described in section  
18 465(a)(2)(C);

19 “(III) as a full-time teacher in the fields of  
20 mathematics or science; or

21 “(IV) as a full-time teacher in a school  
22 that is located in a high-need local educational  
23 agency, as that term is defined in section 2102  
24 of the Elementary and Secondary Education  
25 Act of 1965;”.

1 (c) AMOUNTS SUBJECT TO FORGIVENESS.—

2 (1) FFEL PROGRAM.—Section 428J(c) of the  
3 Higher Education Act of 1965 (20 U.S.C. 1078–  
4 10(c)) is amended by striking paragraph (1) and in-  
5 serting the following:

6 “(1) AMOUNT AND RATE OF REPAYMENT.—The  
7 Secretary shall repay an amount that is not more  
8 than \$20,000 in the aggregate of the loan obligation  
9 on a loan made under section 428 or 428H that is  
10 outstanding after the completion of the first com-  
11 plete school year of teaching described in subsection  
12 (b)(1) for which the borrower seeks repayment  
13 under this section. Such amount shall be repaid at  
14 the rate of 15 percent for the first or second year  
15 of such service, 20 percent for the third or fourth  
16 year of such service, and 30 percent for the fifth  
17 year of such service. No borrower may receive a re-  
18 duction of loan obligations under both this section  
19 and section 460.”.

20 (2) FEDERAL DIRECT LOAN PROGRAM.—Section  
21 460(c) of such Act (20 U.S.C. 1087j(c)) is amended  
22 by striking paragraph (1) and inserting the fol-  
23 lowing:

24 “(1) AMOUNT AND RATE OF REPAYMENT.—The  
25 Secretary shall cancel an amount that is not more

1       than \$20,000 in the aggregate of the loan obligation  
2       on a loan made under section 428 or 428H that is  
3       outstanding after the completion of the first com-  
4       plete school year of teaching described in subsection  
5       (b)(1)(A). Such amount shall be canceled at the rate  
6       of 15 percent for the first or second year of such  
7       service, 20 percent for the third or fourth year of  
8       such service, and 30 percent for the fifth year of  
9       such service.”.

10 **SEC. 2. GRANTS TO STATES FOR PREPARING, TRAINING,**  
11 **AND RECRUITING HIGH QUALITY TEACHERS**  
12 **AND PRINCIPALS.**

13       Section 2122 of the Elementary and Secondary Edu-  
14 cation Act of 1965 (20 U.S.C. 6622) is amended by add-  
15 ing at the end the following:

16       “(d) PRIORITY.—In distributing funds under this  
17 subpart, a State educational agency shall give priority to  
18 high-need local educational agencies.”.

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