108TH CONGRESS 1ST SESSION

S. 1091

To provide funding for student loan repayment for public attorneys.

IN THE SENATE OF THE UNITED STATES

May 21, 2003

Mr. Durbin (for himself, Mr. Dewine, Ms. Collins, and Mr. Feingold) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To provide funding for student loan repayment for public attorneys.

- 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 "Prosecutors and De-
- 5 fenders Incentive Act".
- 6 SEC. 2. STUDENT LOAN REPAYMENT FOR PUBLIC ATTOR-
- 7 NEYS.
- 8 (a) IN GENERAL.—The Higher Education Act of
- 9 1965 is amended by inserting after section 428K (20
- 10 U.S.C. 1078–11) the following:

| 1 | "SEC. 428L. LOAN FORGIVENESS FOR PUBLIC ATTORNEYS. |
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| 2 | "(a) Purpose.—The purpose of this section is to en- |
| 3 | courage qualified individuals to enter and continue em- |
| 4 | ployment as prosecutors and public defenders. |
| 5 | "(b) Definitions.—In this section: |
| 6 | "(1) Prosecutor.—The term 'prosecutor' |
| 7 | means a full-time employee of a State or local agen- |
| 8 | cy who— |
| 9 | "(A) is continually licensed to practice law; |
| 10 | and |
| 11 | "(B) prosecutes criminal cases at the State |
| 12 | or local level. |
| 13 | "(2) Public defender.—The term 'public de- |
| 14 | fender' means an attorney who— |
| 15 | "(A) is continually licensed to practice law; |
| 16 | and |
| 17 | "(B) is a full-time employee of a State or |
| 18 | local agency, or of a nonprofit organization op- |
| 19 | erating under a contract with a State or unit of |
| 20 | local government or as a full time Federal de- |
| 21 | fender attorney employed in a defender organi- |
| 22 | zation established pursuant to subsection (g) of |
| 23 | section 3006A of title 18, United States Code, |
| 24 | which provides legal representation services to |
| 2.5 | indigent persons in criminal cases |

| 1 | "(3) STUDENT LOAN.—The term 'student loan' |
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| 2 | means— |
| 3 | "(A) a loan made, insured, or guaranteed |
| 4 | under this part; and |
| 5 | "(B) a loan made under part D or E. |
| 6 | "(c) Program Authorized.—For the purpose of |
| 7 | encouraging qualified individuals to enter and continue |
| 8 | employment as prosecutors and public defenders, the Sec- |
| 9 | retary shall carry out a program, through the holder of |
| 10 | a loan, of assuming the obligation to repay (by direct pay- |
| 11 | ments on behalf of a borrower) a qualified loan amount |
| 12 | for a loan made under section 428 or 428H, in accordance |
| 13 | with subsection (d), for any borrower who— |
| 14 | "(1) is employed as a prosecutor or public de- |
| 15 | fender; and |
| 16 | "(2) is not in default on a loan for which the |
| 17 | borrower seeks forgiveness. |
| 18 | "(d) Terms of Agreement.— |
| 19 | "(1) In general.—To be eligible to receive re- |
| 20 | payment benefits under this section, a borrower shall |
| 21 | enter into a written agreement that specifies that— |
| 22 | "(A) the borrower will remain employed as |
| 23 | a prosecutor or public defender for a required |
| 24 | period of service specified in the agreement (but |

| 1 | not less than 3 years), unless involuntarily sep- |
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| 2 | arated from that employment; |
| 3 | "(B) if the borrower is involuntarily sepa- |
| 4 | rated from that employment on account of mis- |
| 5 | conduct, or voluntarily separates from that em- |
| 6 | ployment, before the end of the period specified |
| 7 | in the agreement, the borrower will repay the |
| 8 | Secretary the amount of any benefits received |
| 9 | by such employee under this section; |
| 10 | "(C) if the borrower is required to repay |
| 11 | an amount to the Secretary under subpara- |
| 12 | graph (B) and fails to repay the amount de- |
| 13 | scribed in subparagraph (B), a sum equal to |
| 14 | the amount is recoverable by the Government |
| 15 | from the employee (or such employee's estate, if |
| 16 | applicable) by such method as is provided by |
| 17 | law for the recovery of amounts owing to the |
| 18 | Government; |
| 19 | "(D) the Secretary may waive, in whole or |
| 20 | in part, a right of recovery under this sub- |
| 21 | section if it is shown that recovery would be |
| 22 | against equity and good conscience or against |
| 23 | the public interest; and |
| 24 | "(E) the Secretary shall make student loan |
| 25 | payments under this section for the period of |

the agreement, subject to the availability of appropriations.

"(2) Repayments.—Any amount repaid by, or recovered from, an individual (or an estate) under this subsection shall be credited to the appropriation account from which the amount involved was originally paid. Any amount so credited shall be merged with other sums in such account and shall be available for the same purposes and period, and subject to the same limitations (if any), as the sums with which the amount was merged.

"(3) Limitations.—

"(A) STUDENT LOAN PAYMENT AMOUNT.—Student loan payments made by the Secretary under this section shall be made subject to such terms, limitations, or conditions as may be mutually agreed to by the borrower concerned and the Secretary in the agreement described in this subsection, except that the amount paid by the Secretary under this section may not exceed—

"(i) \$6,000 for any borrower in any calendar year; or

"(ii) a total of \$40,000 in the case of any borrower.

| 1 | "(B) Beginning of Payments.—Nothing |
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| 2 | in this section shall be construed to authorize |
| 3 | the Secretary to pay any amount to reimburse |
| 4 | a borrower for any repayments made by such |
| 5 | borrower prior to the date on which the Sec- |
| 6 | retary entered into an agreement with the em- |
| 7 | ployee under this subsection. |
| 8 | "(e) Additional Agreements.—On completion of |
| 9 | the required period of service under such an agreement, |
| 10 | the borrower concerned and the Secretary may enter into |
| 11 | an additional agreement described in subsection (d) for |
| 12 | a successive period of service specified in the agreement |
| 13 | (which may be less than 3 years). |
| 14 | "(f) Award Basis; Priority.— |
| 15 | "(1) AWARD BASIS.—The Secretary shall pro- |
| 16 | vide repayment benefits under this section on a first- |
| 17 | come, first-served basis (subject to paragraph (2)) |
| 18 | and subject to the availability of appropriations. |
| 19 | "(2) Priority.—The Secretary shall give pri- |
| 20 | ority in providing repayment benefits under this sec- |
| 21 | tion for a fiscal year to a borrower who— |
| 22 | "(A) received repayment benefits under |
| 23 | this section for the preceding fiscal year; and |
| 24 | "(B) has completed less than 3 years of |
| 25 | the first required period of service specified for |

| 1 | the borrower in an agreement entered into |
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| 2 | under subsection (d). |
| 3 | "(g) Regulations.—The Secretary is authorized to |
| 4 | issue such regulations as may be necessary to carry out |
| 5 | the provisions of this section. |
| 6 | "(h) AUTHORIZATION OF APPROPRIATIONS.—There |
| 7 | are authorized to be appropriated to carry out this section |
| 8 | \$20,000,000 for fiscal year 2004 and such sums as may |
| 9 | be necessary for each succeeding fiscal year.". |
| 10 | (b) Cancellation of Loans.— |
| 11 | (1) Amendment.—Section 465(a)(2)(F) of the |
| 12 | Higher Education Act of 1965 (20 U.S.C. |
| 13 | 1087ee(a)(2)(F)) is amended by inserting ", as a |
| 14 | public defender (as defined in section 428L), or as |
| 15 | a full time Federal defender attorney employed in a |
| 16 | defender organization established pursuant to sub- |
| 17 | section (g) of section 3006A of title 18, United |
| 18 | States Code" after "agencies". |
| 19 | (2) Effective date.—The amendment made |
| 20 | by this subsection shall apply to— |
| 21 | (A) eligible loans made before, on, or after |
| 22 | the date of enactment of this Act; and |
| 23 | (B) service as a public defender that is |
| 24 | provided on or after the date of enactment of |
| 25 | this Act |

Construction.—Nothing in this sub-1 (3)2 section or the amendment made by this subsection 3 shall be construed to authorize the Secretary to pay 4 any amount to reimburse a borrower for any repayments made by such borrower prior to the date on 5 6 which the borrower became eligible for cancellation under section 465(a) of such Act (20 U.S.C. 7 1087ee(a)). 8

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