

113TH CONGRESS
2D SESSION

S. 2448

To protect servicemembers in higher education, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 5, 2014

Mrs. HAGAN introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To protect servicemembers in higher education, 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 “Servicemember Higher
5 Education Protection Act”.

6 **SEC. 2. REFERENCES.**

7 Except as otherwise expressly provided, wherever in
8 this Act an amendment or repeal is expressed in terms
9 of an amendment to, or repeal of, a section or other provi-
10 sion, the reference shall be considered to be made to a

1 section or other provision of the Higher Education Act of
2 1965 (20 U.S.C. 1001 et seq.).

3 **SEC. 3. BENEFITS FOR BORROWERS WHO ARE MEMBERS**
4 **OF THE ARMED FORCES.**

5 Section 131(f) is amended to read as follows:

6 “(f) BENEFITS FOR MEMBERS OF THE ARMED
7 FORCES.—

8 “(1) WEBSITE.—

9 “(A) IN GENERAL.—The Secretary, in co-
10 ordination with the Secretary of Defense and
11 the Secretary of Veterans Affairs, shall create
12 a revised and updated searchable Internet
13 website that—

14 “(i) contains information, in simple
15 and understandable terms, about all Fed-
16 eral and State student financial assistance,
17 readmission requirements under section
18 484C, and other student services, for
19 which members of the Armed Forces (in-
20 cluding members of the National Guard
21 and Reserves), veterans, and the depend-
22 ents of such members or veterans may be
23 eligible; and

1 “(ii) is easily accessible through the
2 Internet website described in subsection
3 (e)(3).

4 “(B) IMPLEMENTATION.—Not later than
5 365 days after the date of the enactment of the
6 Servicemember Higher Education Protection
7 Act, the Secretary shall make publicly available
8 the revised and updated Internet website de-
9 scribed in subparagraph (A).

10 “(C) DISSEMINATION.—The Secretary, in
11 coordination with the Secretary of Defense and
12 the Secretary of Veterans Affairs, shall make
13 the availability of the Internet website described
14 in subparagraph (A) widely known to members
15 of the Armed Forces (including members of the
16 National Guard and Reserves), veterans, the
17 dependents of such members or veterans,
18 States, institutions of higher education, and the
19 general public.

20 “(D) DEFINITION.—In this paragraph, the
21 term ‘Federal and State student financial as-
22 sistance’ means any grant, loan, work assist-
23 ance, tuition assistance, scholarship, fellowship,
24 or other form of financial aid for pursuing a
25 postsecondary education that is—

1 “(i) administered, sponsored, or sup-
2 ported by the Department of Education,
3 the Department of Defense, the Depart-
4 ment of Veterans Affairs, or a State; and

5 “(ii) available to members of the
6 Armed Forces (including members of the
7 National Guard and Reserves), veterans,
8 or the dependents of such members or vet-
9 erans.

10 “(2) ENROLLMENT FORM.—

11 “(A) IN GENERAL.—The Secretary, in con-
12 sultation with the Director of the Bureau of
13 Consumer Financial Protection and the heads
14 of any other relevant Federal agencies, shall
15 create a simplified disclosure and enrollment
16 form for borrowers who are performing eligible
17 military service (as defined in section 481(d)).

18 “(B) CONTENTS.—The disclosure and en-
19 rollment form described in subparagraph (A)
20 shall include—

21 “(i) information about the benefits
22 and protections under title IV and under
23 the Servicemembers Civil Relief Act (50
24 U.S.C. App. 501 et seq.) that are available
25 to such borrowers because of their status

1 as borrowers who are performing eligible
2 military service (as defined in section
3 481(d)); and

4 “(ii) an opportunity for the borrower,
5 by completing the enrollment form, to in-
6 voke certain protections, activate certain
7 benefits, and enroll in certain programs
8 that may be available to that borrower,
9 which shall include the opportunity—

10 “(I) to invoke applicable protec-
11 tions that are available under the
12 Servicemembers Civil Relief Act (50
13 U.S.C. App. 501 et seq.), as such pro-
14 tectons relate to Federal student
15 loans under title IV; and

16 “(II) to activate or enroll in any
17 other applicable benefits that are
18 available to such borrower under this
19 Act due to the borrower’s status as a
20 borrower who is performing eligible
21 military service (as defined in section
22 481(d)), such as eligibility for a
23 deferment or eligibility for a period
24 during which interest shall not accrue.

1 “(C) IMPLEMENTATION.—Not later than
2 365 days after the date of the enactment of the
3 Servicemember Higher Education Protection
4 Act, the Secretary shall make available to eligi-
5 ble institutions, eligible lenders, and personnel
6 at the Department of Defense and other Fed-
7 eral agencies that provide services to borrowers
8 who are members of the Armed Forces or the
9 dependents of such members or individuals per-
10 forming eligible military service, the disclosure
11 and enrollment form described in subparagraph
12 (A).

13 “(D) NOTICE REQUIREMENTS.—

14 “(i) SCRA INTEREST RATE LIMITA-
15 TION.—The completion of the disclosure
16 and enrollment form created pursuant to
17 subparagraph (A) by the borrower of a
18 loan made, insured, or guaranteed under
19 part B or part D of title IV who is other-
20 wise subject to the interest rate limitation
21 in subsection (a) of section 207 of the
22 Servicemembers Civil Relief Act (50 U.S.C.
23 App. 527(a)) and submittal of such form
24 to the Secretary shall be considered, for
25 purposes of such section, provision to the

1 creditor of written notice as described in
2 subsection (b)(1) of such section.

3 “(ii) FFEL LENDERS.—The Sec-
4 retary shall provide each such disclosure
5 and enrollment form completed and sub-
6 mitted by a borrower of a loan made, in-
7 sured, or guaranteed under part B of title
8 IV who is otherwise subject to the interest
9 rate limitation in subsection (a) of section
10 207 of the Servicemembers Civil Relief Act
11 (50 U.S.C. App. 527(a)) to any applicable
12 eligible lender under part B of title IV so
13 as to satisfy the provision to the lender of
14 written notice as described in subsection
15 (b)(1) of such section.”.

16 **SEC. 4. POC IN THE FSA OMBUDSMAN FOR MEMBERS OF**
17 **THE ARMED FORCES AND VETERANS.**

18 Section 141(f) (20 U.S.C. 1018(f)) is amended—

19 (1) by redesignating paragraph (4) as para-
20 graph (5); and

21 (2) by inserting after paragraph (3) the fol-
22 lowing:

23 “(4) MILITARY AND VETERAN POINT OF CON-
24 TACT.—

1 “(A) IN GENERAL.—The Chief Operating
2 Officer, in consultation with the Secretary, shall
3 appoint a designated military and veteran point
4 of contact within the office of the Student Loan
5 Ombudsman.

6 “(B) FUNCTIONS.—The designated mili-
7 tary and veteran point of contact described in
8 subparagraph (A) shall—

9 “(i) monitor the complaints received
10 from the Ombudsman under paragraph
11 (3)(A) from, and provide timely assistance
12 to, members of the Armed Forces (includ-
13 ing members of the National Guard and
14 Reserves), veterans, and their dependents;

15 “(ii) coordinate with other agencies,
16 including the Department of Defense, the
17 Department of Veterans Affairs, and the
18 Bureau of Consumer Financial Protection,
19 to ensure that members of the Armed
20 Forces, veterans, and the dependents of
21 members of the Armed Forces and vet-
22 erans, who are students, borrowers, or po-
23 tential borrowers, are aware of the avail-
24 ability and functions of the Ombudsman;
25 and

1 “(iii) issue to the Committee on
2 Health, Education, Labor, and Pensions of
3 the Senate, the Committee on Education
4 and the Workforce of the House of Rep-
5 resentatives, the Committee on Veterans’
6 Affairs of the Senate, the Committee on
7 Veterans’ Affairs of the House of Rep-
8 resentatives, the Committee on Armed
9 Services of the Senate, and the Committee
10 on Armed Services of the House of Rep-
11 resentatives an annual report on the chal-
12 lenges that such members of the Armed
13 Forces, veterans, and dependents are fac-
14 ing as students, borrowers, and potential
15 borrowers.”.

16 **SEC. 5. DISABILITY DETERMINATIONS.**

17 (a) AMENDMENT TO THE HIGHER EDUCATION ACT
18 OF 1965.—Section 437(a)(2) (20 U.S.C. 1087(a)(2)) is
19 amended to read as follows:

20 “(2) DISABILITY DETERMINATIONS.—

21 “(A) IN GENERAL.—A borrower who has
22 been assigned a disability rating of 100 percent
23 (or a combination of ratings equaling 100 per-
24 cent or more) by the Secretary of Veterans Af-
25 fairs or the Secretary of Defense for a service-

1 connected disability (as defined in section 101
2 of title 38, United States Code) and who pro-
3 vides documentation of such rating to the Sec-
4 retary of Education, shall be considered perma-
5 nently and totally disabled for the purpose of
6 discharging such borrower's loans under this
7 subsection, and such borrower shall not be re-
8 quired to present any additional documentation
9 for purposes of this subsection.

10 “(B) RATING OF DISABILITY.—A disability
11 rating described in subparagraph (A), or similar
12 determination of unemployability by the Sec-
13 retary of Veterans Affairs or the Department of
14 Defense, transmitted in accordance with sub-
15 paragraph (C) shall be considered sufficient
16 documentation for purposes of this subsection.

17 “(C) TRANSFER OF INFORMATION.—Not
18 later than 180 days after the date of enactment
19 of the Servicemember Higher Education Protec-
20 tion Act, the Secretary, in coordination with the
21 Secretary of Defense and the Secretary of Vet-
22 erans Affairs, shall create a system through
23 which the applicable disability ratings (or alter-
24 native means of transmitting a determination of
25 unemployability) shall be automatically trans-

1 mitted from the Department of Defense or the
2 Department of Veterans Affairs, as the case
3 may be, to the Department of Education and
4 shall satisfy the documentation requirement de-
5 scribed in this paragraph. The Secretary shall
6 have the authority to enter into any agreements
7 necessary to implement the requirements of this
8 paragraph.”.

9 (b) REPORTS.—

10 (1) PLAN.—Not later than 90 days after the
11 date of the enactment of this Act, the Secretary of
12 Education shall submit to the appropriate commit-
13 tees of Congress a report that includes a plan to
14 carry out the activities described under section
15 437(a)(2)(C) of the Higher Education Act of 1965
16 (20 U.S.C. 1087(a)(2)), as amended by this section.

17 (2) FOLLOW-UP REPORT.—If the Secretary of
18 Education has not carried out the activities de-
19 scribed under section 437(a)(2)(C) of the Higher
20 Education Act of 1965, as amended by this section,
21 by the date that is 1 year after the date of enact-
22 ment of this Act, the Secretary of Education shall
23 submit, by such date, a report that includes an ex-
24 planation of why those activities have not been im-
25 plemented and a description of any legislative

1 changes that are necessary to allow for the imple-
2 mentation of such activities.

3 **SEC. 6. LOAN DEFERMENT FOR BORROWERS PERFORMING**
4 **MILITARY SERVICE AND CERTAIN SPOUSES**
5 **OF MEMBERS OF THE ARMED FORCES.**

6 (a) FFEL LOANS.—Section 428(b)(1)(M) (20
7 U.S.C. 1078(b)(1)(M)) is amended—

8 (1) by redesignating clause (iv) as clause (v);

9 (2) in clause (iii), by striking “the borrower—
10 ” and all that follows through “described in sub-
11 clause (I) or (II); or” and inserting “the borrower
12 is performing eligible military service, and for the
13 180-day period following the demobilization date for
14 such eligible military service;”; and

15 (3) by inserting after clause (iii) the following:

16 “(iv) not in excess of 180 days after
17 the effective movement date listed on the
18 military orders of a borrower’s spouse if
19 that spouse is a member of the Armed
20 Forces who has received military orders for
21 a permanent change of station; or”.

22 (b) DIRECT LOANS.—Section 455(f)(2) (20 U.S.C.
23 1087e(f)(2)) is amended—

24 (1) by redesignating subparagraph (D) as sub-
25 paragraph (E);

1 (2) in subparagraph (C), by striking “the bor-
 2 rower—” and all that follows through “described in
 3 clause (i) or (ii); or” and inserting “the borrower is
 4 performing eligible military service, and for the 180-
 5 day period following the demobilization date for such
 6 eligible military service;” and

7 (3) by inserting after subparagraph (C) the fol-
 8 lowing:

9 “(D) any period not in excess of 180 days
 10 after the effective movement date listed on the
 11 military orders of a borrower’s spouse if that
 12 spouse is a member of the Armed Forces who
 13 has received military orders for a permanent
 14 change of station; or”.

15 (c) FEDERAL PERKINS LOANS.—

16 (1) Section 464(c)(2)(A) (20 U.S.C.
 17 1087dd(c)(2)(A)) is amended—

18 (A) by redesignating clauses (iv) and (v) as
 19 clauses (v) and (vi), respectively;

20 (B) in clause (iii), by striking “the bor-
 21 rower—” and all that follows through “de-
 22 scribed in subclause (I) or (II);” and inserting
 23 “during which the borrower is performing eligi-
 24 ble military service, and for the 180-day period

1 following the demobilization date for such eligi-
2 ble military service;” and

3 (C) by inserting after clause (iii) the fol-
4 lowing:

5 “(iv) not in excess of 180 days after the ef-
6 fective movement date listed on the military or-
7 ders of a borrower’s spouse if that spouse is a
8 member of the Armed Forces who has received
9 military orders for a permanent change of sta-
10 tion; or”.

11 (2) Section 465(a)(2)(D) (20 U.S.C.
12 1087ee(a)(2)(D)) is amended by striking “qualifies
13 for special pay under section 310 of title 37, United
14 States Code, as an area of hostilities” and inserting
15 “is eligible military service”.

16 (d) DEFINITION.—Section 481(d) (20 U.S.C.
17 1088(d)) is amended—

18 (1) by redesignating paragraphs (2) through
19 (5) as paragraphs (3) through (6), respectively; and

20 (2) by inserting after paragraph (1) the fol-
21 lowing:

22 “(2) ELIGIBLE MILITARY SERVICE.—The term
23 ‘eligible military service’—

24 “(A) in the case of a member of a regular
25 component of the Armed Forces, means full-

1 time duty in the Armed Forces, other than ac-
2 tive duty for training (as defined in section 101
3 of title 38, United States Code);

4 “(B) in the case of a member of the re-
5 serve components of the Armed Forces, means
6 service on active duty under a call or order to
7 active duty under section 688, 12301(a),
8 12301(d), 12301(g), 12302, or 12304 of title
9 10, United States Code, or section 712 of title
10 14, United States Code;

11 “(C) in the case of a member of the Army
12 National Guard of the United States or Air Na-
13 tional Guard of the United States, means, in
14 addition to service described in subparagraph
15 (B), full-time service—

16 “(i) in the National Guard of a State
17 for the purpose of organizing, admin-
18 istering, recruiting, instructing, or training
19 the National Guard; or

20 “(ii) in the National Guard under sec-
21 tion 502(f) of title 32, United States Code,
22 when authorized by the President or the
23 Secretary of Defense for the purpose of re-
24 sponding to a national emergency declared

1 by the President and supported by Federal
2 funds;

3 “(D) in the case of a servicemember who
4 is a commissioned officer of the Public Health
5 Service or the National Oceanic and Atmos-
6 pheric Administration, active service; and

7 “(E) does not include any period during
8 which an individual—

9 “(i) was assigned full-time by the
10 Armed Forces to a civilian institution for
11 a course of education that was substan-
12 tially the same as established courses of-
13 fered to civilians;

14 “(ii) serves as a cadet or midshipman
15 at one of the military service academies of
16 the United States; or

17 “(iii) serves under the provisions of
18 section 12103(d) of title 10, United States
19 Code, pursuant to an enlistment in the
20 Army National Guard or the Air National
21 Guard, or as a Reserve for service in the
22 Army Reserve, Navy Reserve, Air Force
23 Reserve, Marine Corps Reserve, or Coast
24 Guard Reserve.”.

1 **SEC. 7. PUBLIC SERVICE LOAN FORGIVENESS.**

2 Section 455(m) (20 U.S.C. 1087e(m)) is amended—

3 (1) by redesignating paragraphs (3) and (4) as
4 paragraphs (4) and (5), respectively; and

5 (2) by inserting after paragraph (2) the fol-
6 lowing:

7 “(3) LUMP SUM PAYMENT.—For purposes of
8 this subsection, if a borrower has enrolled in a re-
9 payment plan described in paragraph (1)(A) and
10 makes a lump sum payment through a student loan
11 repayment program under section 2171 of title 10,
12 United States Code, or a similarly structured eligible
13 repayment program (as determined by the Sec-
14 retary), the Secretary will treat the borrower as hav-
15 ing made a number of qualifying payments equal to
16 the lesser of—

17 “(A) the number, rounded to the nearest
18 whole number, equal to the quotient of—

19 “(i) such lump sum payment; divided
20 by

21 “(ii) the monthly payment amount
22 that the borrower would have otherwise
23 made under the repayment plan described
24 in paragraph (1)(A) selected by the bor-
25 rower; or

26 “(B) 12 payments.”.

1 **SEC. 8. ACCRUAL OF INTEREST FOR MEMBERS OF THE**
2 **ARMED FORCES SUBJECT TO HOSTILE FIRE**
3 **OR IMMINENT DANGER.**

4 Section 455(o) is amended—

5 (1) by striking paragraph (1) and inserting the
6 following:

7 “(1) IN GENERAL.—Notwithstanding any other
8 provision of this part and in accordance with para-
9 graphs (2) and (4), the Secretary shall not charge
10 interest on a loan made to a borrower under this
11 part for which the first disbursement is made on or
12 after October 1, 2008, during the period in which a
13 borrower who is performing eligible military service
14 (as defined in section 481(d)) is serving in an area
15 of hostilities in which service qualifies for special pay
16 under section 310 of title 37, United States Code.”;

17 (2) by striking paragraph (3) and inserting the
18 following:

19 “(3) IMPLEMENTATION OF ACCRUAL OF INTER-
20 EST PROVISION FOR MEMBERS OF THE ARMED
21 FORCES.—

22 “(A) IN GENERAL.—The Secretary shall
23 enter into any necessary agreements, including
24 agreements with the Commissioner of Revenue
25 and the Secretary of Defense—

1 “(i) to ensure that interest does not
2 accrue for borrowers described in para-
3 graph (1), in accordance with this sub-
4 section; and

5 “(ii) to obtain or provide any informa-
6 tion necessary to implement clause (i)
7 without requiring a request from the bor-
8 rower.

9 “(B) REPORTS.—

10 “(i) PLAN.—Not later than 90 days
11 after the date of the enactment of the
12 Servicemember Higher Education Protec-
13 tion Act, the Secretary shall submit to the
14 appropriate committees of Congress a re-
15 port that includes a plan to implement the
16 accrual of interest provision described in
17 subparagraph (A).

18 “(ii) FOLLOW-UP REPORT.—If the
19 Secretary has not implemented the accrual
20 of interest provision described in subpara-
21 graph (A) by the date that is 1 year after
22 the date of enactment of the Servicemem-
23 ber Higher Education Protection Act, the
24 Secretary shall submit, by such date, a re-
25 port that includes an explanation of why

1 such provision has not been implemented
2 and a description of any legislative changes
3 that are necessary to allow for the imple-
4 mentation of such provision.”; and

5 (3) in paragraph (4), by striking “who qualifies
6 as an eligible military borrower under this sub-
7 section” and inserting “described in paragraph (1)”.

8 **SEC. 9. NATIONAL STUDENT LOAN DATA SYSTEM.**

9 (a) AMENDMENT TO THE HIGHER EDUCATION ACT
10 OF 1965.—Subsection (h) of section 485B (20 U.S.C.
11 1092b(h)) is amended to read as follows:

12 “(h) INTEGRATION OF DATABASES.—

13 “(1) IN GENERAL.—The Secretary shall inte-
14 grate the National Student Loan Data System with
15 the Federal Pell Grant applicant and recipient data-
16 bases as of January 1, 1994, and any other data-
17 bases containing information on participation in pro-
18 grams under this title.

19 “(2) DEPARTMENT OF DEFENSE INFORMA-
20 TION.—

21 “(A) IN GENERAL.—In order to incor-
22 porate the military and veteran status of bor-
23 rowers into the National Student Loan Data
24 System, the Secretary shall integrate the Na-

1 tional Student Loan Data System with informa-
2 tion from—

3 “(i) the Department of Defense, in-
4 cluding the Defense Manpower Data Cen-
5 ter; and

6 “(ii) the Department of Veterans Af-
7 fairs, including data about veterans who
8 are eligible for educational assistance
9 under laws administered by the Secretary
10 of Veterans Affairs.

11 “(B) MEMORANDA OF UNDERSTANDING.—
12 The Secretary shall enter into any memoranda
13 of understanding or other agreements that are
14 necessary to carry out this paragraph.”.

15 (b) REPORTS.—

16 (1) PLAN.—Not later than 90 days after the
17 date of the enactment of this Act, the Secretary of
18 Education shall submit to the appropriate commit-
19 tees of Congress a report that includes a plan to im-
20 plement the Department of Defense data integration
21 provision described under section 485B(h)(2) of the
22 Higher Education Act of 1965, as amended by this
23 section.

24 (2) FOLLOW-UP REPORT.—If the Secretary of
25 Education has not implemented the Department of

1 Defense data integration provision described under
2 section 485B(h)(2) of the Higher Education Act of
3 1965, as amended by this section, by the date that
4 is 1 year after the date of enactment of this Act, the
5 Secretary of Education shall submit, by such date,
6 a report that includes an explanation of why such
7 provision has not been implemented and a descrip-
8 tion of any legislative changes that are necessary to
9 allow for the implementation of such provision.

10 **SEC. 10. PROGRAM PARTICIPATION AGREEMENTS.**

11 Section 487(a) is amended by adding at the end the
12 following:

13 “(30) In the case of an institution that enrolls
14 during an academic year more than 100 students
15 who are veterans, the institution shall certify that
16 the institution has developed and implemented a
17 plan to ensure the success of veterans at that insti-
18 tution. To the extent practicable, the institution
19 shall make the plan, and associated policies, public
20 and accessible to students who are veterans. Such
21 plan shall include the following:

22 “(A) The designation of certain faculty or
23 staff at the institution who will serve as a point
24 of contact for veterans—

1 “(i) within campus offices, including
2 the admissions office; and

3 “(ii) during any orientation process
4 for newly enrolled students.

5 “(B) The establishment of a working
6 group that will be responsible for veterans’
7 issues.

8 “(C) A description of disability services
9 that are available to meet the needs of disabled
10 students who are veterans.

11 “(D) A plan for how the institution will
12 identify students who are veterans through the
13 application process, or through other processes,
14 to provide better assistance in the receipt of
15 educational assistance under laws administered
16 by the Secretary of Veterans Affairs or the Sec-
17 retary of Defense.

18 “(E) A description of how the institution
19 will evaluate and maximize the number of cred-
20 its students can receive from military training
21 and service.”.

22 **SEC. 11. EXTENDING THE PROTECTIONS FOR STUDENT**
23 **LOANS FOR ACTIVE DUTY BORROWERS.**

24 Section 493D (20 U.S.C. 1098f) is amended—

1 (1) in the section heading, by inserting “**AND**
2 **PROTECTIONS FOR ACTIVE DUTY BORROWERS**”

3 before the period at the end;

4 (2) by redesignating subsection (b) as sub-
5 section (c); and

6 (3) by inserting after subsection (a) the fol-
7 lowing:

8 “(b) USE OF INFORMATION.—

9 “(1) IN GENERAL.—The Secretary shall utilize
10 information the Secretary receives regarding the ac-
11 tive duty status of borrowers from the Secretary of
12 Defense for any purpose under this title to ensure
13 that the interest rate charged on any loan made
14 under part D of title IV for borrowers who are sub-
15 ject to section 207(a)(1) of the Servicemembers Civil
16 Relief Act (50 U.S.C. App. 527(a)(1)) does not ex-
17 ceed the maximum interest rate set forth in such
18 section.

19 “(2) SCRA INTEREST RATE LIMITATION NO-
20 TICE REQUIREMENTS.—The submittal by the Sec-
21 retary of Defense to the Secretary of Education of
22 information that informs the Secretary of Education
23 that an individual with a student loan under part D
24 of title IV has been or is being called to military
25 service (as defined in section 101 of the

1 Servicemembers Civil Relief Act (50 U.S.C. 511))
2 shall be considered, for purposes of subjecting such
3 student loan to the provisions of section 207 of the
4 Servicemembers Civil Relief Act (50 U.S.C. App.
5 527), provision by the borrower to the creditor of
6 written notice and a copy of military orders as de-
7 scribed in subsection (b)(1) of such section.

8 “(3) PROCEDURES.—Not later than 180 days
9 after the date of enactment of the Servicemember
10 Higher Education Protection Act, the Secretary, in
11 consultation with the Department of Defense, shall
12 establish a procedure to implement this subsection.”.

13 **SEC. 12. MODIFICATION OF LIMITATION ON RATE OF IN-**
14 **TEREST ON STUDENT LOANS DURING AND**
15 **IMMEDIATELY AFTER PERIOD OF MILITARY**
16 **SERVICE.**

17 (a) EXTENSION OF PERIOD OF APPLICABILITY OF
18 LIMITATION ON RATE OF INTEREST ON STUDENT LOANS
19 INCURRED BEFORE SERVICE.—Section 207(a)(1) of the
20 Servicemembers Civil Relief Act (50 U.S.C. App.
21 527(a)(1)) is amended—

22 (1) in subparagraph (A), by inserting “or a stu-
23 dent loan” after “nature of a mortgage”; and

1 (2) in the paragraph heading, by inserting “ON
2 DEBT INCURRED BEFORE SERVICE” after “LIMITA-
3 TION TO 6 PERCENT”.

4 (b) DEBT ENTERED INTO DURING MILITARY SERV-
5 ICE TO CONSOLIDATE OR REFINANCE STUDENT LOANS
6 INCURRED BEFORE MILITARY SERVICE.—Subsection (a)
7 of section 207 of such Act (50 U.S.C. App. 527) is amend-
8 ed—

9 (1) by redesignating paragraphs (2) and (3) as
10 paragraphs (3) and (4), respectively;

11 (2) by inserting after paragraph (1) the fol-
12 lowing new paragraph (2):

13 “(2) LIMITATION TO 6 PERCENT ON DEBT IN-
14 CURRED DURING SERVICE TO CONSOLIDATE OR RE-
15 FINANCE STUDENT LOANS INCURRED BEFORE SERV-
16 ICE.—An obligation or liability bearing interest at a
17 rate in excess of 6 percent per year that is incurred
18 by a servicemember, or the servicemember and the
19 servicemember’s spouse jointly, during military serv-
20 ice to consolidate or refinance one or more student
21 loans incurred by the servicemember before such
22 military service shall not bear an interest at a rate
23 in excess of 6 percent during the period of military
24 service and one year thereafter.”;

1 (3) in paragraph (3), as redesignated by para-
2 graph (1) of this subsection, by inserting “or (2)”
3 after “paragraph (1)”; and

4 (4) in paragraph (4), as so redesignated, by
5 striking “paragraph (2)” and inserting “paragraph
6 (3)”.

7 (c) IMPLEMENTATION OF LIMITATION.—Subsection
8 (b) of such section is amended—

9 (1) in paragraph (1), by striking “the interest
10 rate limitation in subsection (a)” and inserting “an
11 interest rate limitation in paragraph (1) or (2) of
12 subsection (a)”; and

13 (2) in paragraph (2)—

14 (A) in the paragraph heading, by striking
15 “AS OF DATE OF ORDER TO ACTIVE DUTY”; and

16 (B) by inserting before the period at the
17 end the following: “in the case of an obligation
18 or liability covered by subsection (a)(1), or as of
19 the date the servicemember (or servicemember
20 and spouse jointly) incurs the obligation or li-
21 ability concerned under subsection (a)(2)”.

22 (d) STUDENT LOAN DEFINED.—Subsection (d) of
23 such section is amended by adding at the end the following
24 new paragraph:

1 “(3) STUDENT LOAN.—The term ‘student loan’
2 means the following:

3 “(A) A Federal student loan made, in-
4 sured, or guaranteed under title IV of the
5 Higher Education Act of 1965 (20 U.S.C. 1070
6 et seq.).

7 “(B) A private student loan as that term
8 is defined in section 140(a) of the Truth in
9 Lending Act (15 U.S.C. 1650(a)).”.

10 **SEC. 13. WORKING GROUP ON IMPROVEMENT OF RE-**
11 **SOURCES AVAILABLE TO MEMBERS OF THE**
12 **ARMED FORCES AND THEIR SPOUSES IN**
13 **USING TUITION ASSISTANCE PROGRAMS OF**
14 **THE DEPARTMENT OF DEFENSE.**

15 (a) WORKING GROUP REQUIRED.—The Secretary of
16 Defense, the Secretary of Education, the Secretary of Vet-
17 erans Affairs, and the Director of the Bureau of Consumer
18 Financial Protection shall jointly, and in consultation with
19 the heads of such other departments and agencies of the
20 Federal Government as such officials consider appro-
21 priate, establish and maintain a working group to assess
22 and improve the resources available to education service
23 officers and other personnel of the Federal Government
24 who provide assistance to members of the Armed Forces

1 and their spouses in using or seeking to use the tuition
2 assistance programs of the Department of Defense.

3 (b) RESOURCES.—In improving resources as de-
4 scribed in subsection (a), the working group shall provide
5 for the inclusion of the following in such resources:

6 (1) Information on the benefits and protections
7 for members of the Armed Forces and their depend-
8 ents provided in this Act and the amendments made
9 by this Act.

10 (2) Consumer information, resources, and tools
11 created and maintained by the working group pursu-
12 ant to this section.

13 (3) Information on the availability of consumer
14 protection measures, including the complaint system
15 established pursuant to Executive Order 13607 (77
16 Fed. Reg. 25861; relating to establishing principles
17 of excellence for educational institutions serving
18 servicemembers, veterans, spouses, and other family
19 members).

20 (4) Such other information or resources as the
21 working group considers appropriate.

22 **SEC. 14. EXCEPTION FOR SERVICEMEMBERS CIVIL RELIEF**
23 **ACT.**

24 Section 428(d) (20 U.S.C. 1078(d)) is amended by
25 striking “section 207 of the Servicemembers Civil Relief

1 Act (50 U.S.C. App. 527)” and inserting “the
2 Servicemembers Civil Relief Act (50 U.S.C. App. 501 et
3 seq.)”.

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