

113TH CONGRESS
2D SESSION

S. 2896

To amend title 31, United States Code, to adjust for inflation the amount that is exempt from administrative offsets by the Department of Education for defaulted student loans.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 18, 2014

Ms. COLLINS (for herself and Mr. NELSON) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend title 31, United States Code, to adjust for inflation the amount that is exempt from administrative offsets by the Department of Education for defaulted student loans.

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 “Social Security Gar-
5 nishment Modernization Act of 2014”.

6 **SEC. 2. ADJUSTMENT FOR INFLATION.**

7 (a) IN GENERAL.—Section 3716(c)(3)(A) of title 31,
8 United States Code, is amended—

1 (1) in clause (ii), by striking “An amount” and
2 inserting “Except as provided in clause (iii), an
3 amount”; and

4 (2) by inserting after the matter following
5 clause (ii)(II) the following:

6 “(iii) For a claim that may be collected
7 under this section by the Department of Edu-
8 cation relating to a defaulted student loan
9 under part B, D, or E of title IV of the Higher
10 Education Act of 1965 (20 U.S.C. 1071 et seq.,
11 1087a et seq., and 1087aa et seq.), the amount
12 of payments due to an individual under the So-
13 cial Security Act that is exempt from offset
14 under this subsection shall be equal to the ex-
15 emption amount under clause (ii), as adjusted
16 annually to reflect increases in the Consumer
17 Price Index for Urban Wage Earners and Cler-
18 ical Workers published by the Bureau of Labor
19 Statistics of the Department of Labor.”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall—

22 (1) take effect as if included in the enactment
23 of the Omnibus Consolidated Rescissions and Appro-
24 priations Act of 1996 (Public Law 104–134; 110
25 Stat. 1321); and

1 (2) only apply with respect to a claim described
2 in section 3716(e)(3)(A)(iii) of title 31, United
3 States Code, as added by subsection (a)(2), that
4 may be collected by administrative offset by the De-
5 partment of Education under section 3716 of such
6 title after the date of enactment of this Act.

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