

114TH CONGRESS
1ST SESSION

H. R. 4260

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

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 15, 2015

Ms. SINEMA (for herself, Mr. COSTELLO of Pennsylvania, and Mr. COFFMAN) introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committees on Veterans' Affairs and Armed Services, 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 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-

1 sion, the reference shall be considered to be made to a
2 section or other provision of the Higher Education Act of
3 1965 (20 U.S.C. 1001 et seq.).

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

6 Section 131(f) (20 U.S.C. 1015(f)) is amended to
7 read as follows:

8 “(f) BENEFITS FOR MEMBERS OF THE ARMED
9 FORCES.—

10 “(1) WEBSITE.—

11 “(A) IN GENERAL.—The Secretary, in co-
12 ordination with the Secretary of Defense, the
13 Secretary of Veterans Affairs, and the Sec-
14 retary of Homeland Security, shall create a re-
15 vised and updated searchable Internet website
16 that—

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

1 ents of such members or veterans may be
2 eligible; and

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

6 “(B) IMPLEMENTATION.—Not later than 1
7 year after the date of enactment of the Service-
8 member Higher Education Protection Act, the
9 Secretary shall make publicly available the re-
10 vised and updated Internet website described in
11 subparagraph (A).

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

22 “(D) DEFINITION.—In this paragraph, the
23 term ‘Federal and State student financial as-
24 sistance’ means any grant, loan, work assist-
25 ance, tuition assistance, scholarship, fellowship,

1 or other form of financial aid for pursuing a
2 postsecondary education that is—

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

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

12 “(2) ENROLLMENT FORM.—

13 “(A) IN GENERAL.—The Secretary, in con-
14 sultation with the Secretary of Defense and the
15 heads of any other relevant Federal agencies,
16 shall create a simplified disclosure and enroll-
17 ment form for borrowers who are performing el-
18 igible military service (as defined in section
19 481(d)).

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

23 “(i) information about the benefits
24 and protections under title IV and under
25 the Servicemembers Civil Relief Act (50

1 U.S.C. App. 501 et seq.) that are available
2 to such borrower because the borrower is
3 performing eligible military service; 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 tections 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 because the borrower is per-
20 forming eligible military service, such
21 as eligibility for a deferment or eligi-
22 bility for a period during which inter-
23 est shall not accrue.

24 “(C) IMPLEMENTATION.—Not later than
25 365 days after the date of the enactment of the

1 Servicemember Higher Education Protection
2 Act, the Secretary shall make available to eligi-
3 ble institutions, eligible lenders, and personnel
4 at the Department of Defense and other Fed-
5 eral agencies that provide services to borrowers
6 who are members of the Armed Forces or the
7 dependents of such members, the disclosure and
8 enrollment form described in subparagraph (A).

9 “(D) NOTICE REQUIREMENTS.—

10 “(i) SCRA INTEREST RATE LIMITA-
11 TION.—The completion of the disclosure
12 and enrollment form created pursuant to
13 subparagraph (A) by the borrower of a
14 loan made, insured, or guaranteed under
15 part B or part D of title IV who is other-
16 wise subject to the interest rate limitation
17 in subsection (a) of section 207 of the
18 Servicemembers Civil Relief Act (50 U.S.C.
19 App. 527(a)) and submittal of such form
20 to the Secretary shall be considered, for
21 purposes of such section, provision to the
22 creditor of written notice as described in
23 subsection (b)(1) of such section.

24 “(ii) FFEL LENDERS.—The Sec-
25 retary shall provide each such disclosure

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

12 **SEC. 4. RESPONSIBILITIES OF FSA OMBUDSMAN; ADDITION**
13 **OF POINT OF CONTACT FOR MILITARY FAMI-**
14 **LIES.**

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

16 (1) by redesignating paragraph (4) as para-
17 graph (5); and

18 (2) by inserting after paragraph (3) the fol-
19 lowing:

20 “(4) MILITARY AND VETERAN POINT OF CON-
21 TACT.—

22 “(A) IN GENERAL.—The Chief Operating
23 Officer, in consultation with the Secretary, shall
24 designate 1 or more employees to act as the

1 military and veteran point of contact within the
2 office of the Student Loan Ombudsman.

3 “(B) FUNCTIONS.—The designated mili-
4 tary and veteran point of contact described in
5 subparagraph (A) shall—

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

12 “(ii) coordinate with other agencies,
13 including the Department of Defense, the
14 Department of Veterans Affairs, and the
15 Department of Homeland Security, to en-
16 sure that members of the Armed Forces,
17 veterans, and the dependents of members
18 of the Armed Forces and veterans, who are
19 students, borrowers, or potential bor-
20 rowers, are aware of the availability and
21 functions of the Ombudsman; and

22 “(iii) issue to the Committee on
23 Health, Education, Labor, and Pensions of
24 the Senate, the Committee on Education
25 and the Workforce of the House of Rep-

1 representatives, the Committee on Veterans’
2 Affairs of the Senate, the Committee on
3 Veterans’ Affairs of the House of Rep-
4 resentatives, the Committee on Armed
5 Services of the Senate, and the Committee
6 on Armed Services of the House of Rep-
7 resentatives an annual report on the chal-
8 lenges that such members of the Armed
9 Forces, veterans, and dependents are fac-
10 ing as students, borrowers, and potential
11 borrowers.”.

12 **SEC. 5. IMPROVED DISABILITY DETERMINATIONS.**

13 (a) IN GENERAL.—Section 437(a) (20 U.S.C.
14 1087(a)) is amended—

15 (1) by striking paragraph (2) and inserting the
16 following:

17 “(2) DETERMINATION BY THE SECRETARY OF
18 VETERANS AFFAIRS OR THE SECRETARY OF DE-
19 FENSE.—

20 “(A) IN GENERAL.—A borrower who has
21 been assigned a disability rating of 100 percent
22 (or a combination of ratings equaling 100 per-
23 cent or more) by the Secretary of Veterans Af-
24 fairs or the Secretary of Defense for a service-
25 connected disability (as defined in section 101

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

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

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

1 Department of Veterans Affairs, as the case
2 may be, to the Department of Education and
3 shall satisfy the documentation requirement de-
4 scribed in this paragraph.”; and

5 (2) by adding at the end the following:

6 “(3) DISABILITY DETERMINATIONS BY THE SO-
7 CIAL SECURITY ADMINISTRATION.—A borrower who
8 has been determined by the Social Security Adminis-
9 tration to be disabled with medical improvement not
10 expected and who provides documentation of such
11 determination to the Secretary of Education, shall
12 be considered permanently and totally disabled for
13 the purpose of discharging such borrower’s loans
14 under this subsection, and such borrower shall not
15 be required to present additional documentation for
16 purposes of this subsection.

17 “(4) REINSTATEMENT PROVISIONS.—A bor-
18 rower of a loan that is discharged under paragraph
19 (2) or (3) shall not be subject to the reinstatement
20 provisions described in paragraph (1).

21 “(5) DATA COLLECTION AND REPORT TO CON-
22 GRESS.—

23 “(A) DATA COLLECTION.—The Secretary
24 shall annually collect data about borrowers ap-
25 plying for, and borrowers receiving, loan dis-

1 charges under this subsection, which shall in-
2 clude the following:

3 “(i) Data regarding—

4 “(I) the number of applications
5 received under this subsection;

6 “(II) the number of such applica-
7 tions that were approved; and

8 “(III) the number of loan dis-
9 charges that were completed under
10 this subsection.

11 “(ii) A summary of the reasons why
12 the Secretary reinstated the obligation of,
13 and resumed collection on, loans dis-
14 charged under this subsection.

15 “(iii) The data described in subclauses
16 (I) through (III) of clause (i), and clause
17 (ii), for each of the following:

18 “(I) Borrowers applying for, and
19 borrowers receiving, loan discharges
20 under paragraph (2)(A).

21 “(II) Borrowers applying for, and
22 borrowers receiving, loan discharges
23 under paragraph (2)(B).

1 “(III) Borrowers applying for,
2 and borrowers receiving, loan dis-
3 charges under paragraph (3).

4 “(iv) Any other information the Sec-
5 retary determines is necessary.

6 “(B) REPORT.—The Secretary shall annu-
7 ally report to Congress, and make publicly
8 available, the information described in subpara-
9 graph (A).”.

10 (b) REPORTS.—

11 (1) PLAN.—Not later than 90 days after the
12 date of the enactment of this Act, the Secretary of
13 Education shall submit to the appropriate commit-
14 tees of Congress a report that includes a plan to
15 carry out the activities described under section
16 437(a)(2)(B)(iii) of the Higher Education Act of
17 1965 (20 U.S.C. 1087(a)(2)(B)(iii)), as amended by
18 this section.

19 (2) FOLLOW-UP REPORT.—If the Secretary of
20 Education has not carried out the activities de-
21 scribed under section 437(a)(2)(B)(iii) of the Higher
22 Education Act of 1965, as amended by this section,
23 by the date that is 1 year after the date of enact-
24 ment of this Act, the Secretary of Education shall
25 submit to the appropriate committees of Congress,

1 by such date, a report that includes an explanation
2 of why those activities have not been implemented.

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
10 borrower—” and all that follows through “described
11 in subclause (I) or (II); or” and inserting “the bor-
12 rower is performing eligible military service, and for
13 the 180-day period following the demobilization date
14 for 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) DEFINITION.—Section 481(d) (20 U.S.C.
16 1088(d)) is amended—

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

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

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

23 “(A) in the case of a member of a regular
24 component of the Armed Forces, means full-
25 time duty in the Armed Forces, other than ac-

1 tive duty for training (as defined in section 101
2 of title 38, United States Code);

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

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

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

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

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

5 “(E) does not include any period during
6 which an individual—

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

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

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

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

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

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

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

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

15 “(A) the number, rounded to the nearest
16 whole number, equal to the quotient of—

17 “(i) such lump sum payment, divided
18 by

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

24 “(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) (20 U.S.C. 1087e(o)) is amended—

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

7 “(1) ACCRUAL OF INTEREST FOR MEMBERS OF
8 THE ARMED FORCES SUBJECT TO HOSTILE FIRE OR
9 IMMINENT DANGER.—Notwithstanding any other
10 provision of this part and in accordance with para-
11 graphs (2) and (4), the Secretary shall not charge
12 interest on a loan made to a borrower under this
13 part for which the first disbursement is made on or
14 after October 1, 2008, during the period in which a
15 borrower who is performing eligible military service
16 is serving in an area of hostilities in which service
17 qualifies for special pay under section 310 of title
18 37, United States Code.”;

19 (2) by striking paragraph (3) and inserting the
20 following:

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

24 “(A) IN GENERAL.—The Secretary of Edu-
25 cation, in coordination with the Commissioner

1 of the Internal Revenue Service and the Sec-
2 retary of Defense, shall—

3 “(i) ensure that interest does not ac-
4 crue for eligible military borrowers, in ac-
5 cordance with this subsection; and

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

10 “(B) REPORTS.—

11 “(i) PLAN.—Not later than 90 days
12 after the date of enactment of the Service-
13 member Higher Education Protection Act,
14 the Secretary shall submit to the appro-
15 priate committees of Congress a report
16 that includes a plan to implement the ac-
17 crual of interest provision described in sub-
18 paragraph (A).

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

1 port that includes an explanation of why
2 such provision has not been implemented.”;
3 and

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

7 **SEC. 9. IMPROVEMENTS TO NATIONAL STUDENT LOAN**
8 **DATA SYSTEM.**

9 (a) AMENDMENTS.—Section 485B (20 U.S.C.
10 1092b) is amended—

11 (1) in subsection (a), by inserting “and loans
12 made or insured under part A of title VII, or part
13 E of title VIII, of the Public Health Service Act (42
14 U.S.C. 292 et seq., 296 et seq.),” after “parts D
15 and E,”;

16 (2) by striking subsection (h) and inserting the
17 following:

18 “(h) INTEGRATION OF DATABASES.—

19 “(1) IN GENERAL.—The Secretary shall inte-
20 grate the National Student Loan Data System with
21 the Federal Pell Grant applicant and recipient data-
22 bases as of January 1, 1994, and any other data-
23 bases containing information on participation in pro-
24 grams under this title.

1 “(2) DEPARTMENT OF DEFENSE AND DEPART-
2 MENT OF VETERANS AFFAIRS INFORMATION.—

3 “(A) IN GENERAL.—In order to incor-
4 porate the military and veteran status of bor-
5 rowers into the National Student Loan Data
6 System, the Secretary shall integrate the Na-
7 tional Student Loan Data System with informa-
8 tion from—

9 “(i) the Department of Defense, in-
10 cluding the Defense Manpower Data Cen-
11 ter; and

12 “(ii) the Department of Veterans Af-
13 fairs, including data about veterans who
14 are eligible for educational assistance
15 under laws administered by the Secretary
16 of Veterans Affairs.

17 “(B) MEMORANDA OF UNDERSTANDING.—
18 The Secretary shall enter into any memoranda
19 of understanding that are necessary to carry
20 out this paragraph.”; and

21 (3) by adding at the end the following:

22 “(i) PUBLIC HEALTH SERVICE LOANS.—The Sec-
23 retary shall include in the National Student Loan Data
24 System established pursuant to subsection (a) information
25 regarding loans made under—

1 “(1) subpart II of part A of title VII of the
2 Public Health Service Act; or

3 “(2) part E of title VIII of the Public Health
4 Service Act.”.

5 (b) REPORTS.—

6 (1) PLAN.—Not later than 90 days after the
7 date of the enactment of this Act, the Secretary of
8 Education shall submit to the appropriate commit-
9 tees of Congress a report that includes a plan to im-
10 plement the Department of Defense and Department
11 of Veterans Affairs data integration provision de-
12 scribed under section 485B(h)(2) of the Higher
13 Education Act of 1965, as amended by subsection
14 (a)(2).

15 (2) FOLLOW-UP REPORT.—If the Secretary of
16 Education has not implemented the Department of
17 Defense and Department of Veterans Affairs data
18 integration provision described under section
19 485B(h)(2) of the Higher Education Act of 1965, as
20 amended by subsection (a)(2), by the date that is 1
21 year after the date of enactment of this Act, the
22 Secretary of Education shall submit, by such date,
23 a report that includes an explanation of why such
24 provision has not been implemented.

1 **SEC. 10. EXTENDING THE PROTECTIONS FOR STUDENT**
2 **LOANS FOR ACTIVE DUTY BORROWERS.**

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

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

6 before the period at the end;

7 (2) by redesignating subsection (b) as sub-
8 section (c); and

9 (3) by inserting after subsection (a) the fol-
10 lowing:

11 “(b) USE OF INFORMATION.—

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

22 “(2) SCRA INTEREST RATE LIMITATION NO-
23 TICE REQUIREMENTS.—The submittal by the Sec-
24 retary of Defense to the Secretary of Education of
25 information that informs the Secretary of Education
26 that an individual with a student loan under part D

1 of title IV has been or is being called to military
2 service (as defined in section 101 of the
3 Servicemembers Civil Relief Act (50 U.S.C. 511))
4 shall be considered, for purposes of subjecting such
5 student loan to the provisions of section 207 of the
6 Servicemembers Civil Relief Act (50 U.S.C. App.
7 527), provision by the borrower to the creditor of
8 written notice and a copy of military orders as de-
9 scribed in subsection (b)(1) of such section.

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

15 **SEC. 11. MODIFICATION OF LIMITATION ON RATE OF IN-**
16 **TEREST ON STUDENT LOANS DURING AND**
17 **IMMEDIATELY AFTER PERIOD OF MILITARY**
18 **SERVICE.**

19 (a) EXTENSION OF PERIOD OF APPLICABILITY OF
20 LIMITATION ON RATE OF INTEREST ON STUDENT LOANS
21 INCURRED BEFORE SERVICE.—Section 207(a)(1) of the
22 Servicemembers Civil Relief Act (50 U.S.C. App.
23 527(a)(1)) is amended—

24 (1) in subparagraph (A), by inserting “or a stu-
25 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:

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 student loan made pursuant to title
8 VII or VIII of the Public Health Service Act
9 (42 U.S.C. 292 et seq. and 296 et seq.).”.

10 **SEC. 12. 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 Education, the Secretary of Defense, and the Secretary
17 of Veterans Affairs shall jointly, and in consultation with
18 the heads of such other departments and agencies of the
19 Federal Government as such officials consider appro-
20 priate, establish and maintain a working group to assess
21 and improve the resources available to education service
22 officers and other personnel of the Federal Government
23 who provide assistance to members of the Armed Forces
24 and their spouses in using or seeking to use the tuition
25 assistance programs of the Department of Defense.

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

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

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

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

18 (4) Such other information or resources as the
19 working group considers appropriate.

20 **SEC. 13. EXCEPTION FOR SERVICEMEMBERS CIVIL RELIEF**
21 **ACT.**

22 Section 428(d) (20 U.S.C. 1078(d)) is amended by
23 striking “section 207 of the Servicemembers Civil Relief
24 Act (50 U.S.C. App. 527)” and inserting “the

1 Servicemembers Civil Relief Act (50 U.S.C. App. 501 et
2 seq.)”.

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