

115TH CONGRESS
2D SESSION

S. 2684

To establish a Federal student loan restructured repayment schedule for certain borrowers who are agricultural producers.

IN THE SENATE OF THE UNITED STATES

APRIL 17, 2018

Mr. UDALL (for himself and Mr. INHOFE) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To establish a Federal student loan restructured repayment schedule for certain borrowers who are agricultural producers.

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 “Flexible Agricultural
5 Repayments and Modifying Schedules Act” or “FARMS
6 Act”.

1 **SEC. 2. REPAYMENT FOR AGRICULTURAL PRODUCERS.**

2 (a) AMENDMENT TO THE HEA.—Part D of title IV
3 of the Higher Education Act of 1965 (20 U.S.C. 1087a
4 et seq.) is amended by adding at the end the following:

5 **“SEC. 460A. RESTRUCTURED REPAYMENT FOR AGRICUL-**
6 **TURAL PRODUCERS.**

7 “(a) RESTRUCTURED REPAYMENT.—

8 “(1) IN GENERAL.—The Secretary, in consulta-
9 tion with the Secretary of Agriculture, shall provide
10 the option for a restructured repayment schedule as
11 described in paragraph (3) to an eligible borrower.

12 “(2) ELIGIBLE BORROWER.—In this subsection,
13 the term ‘eligible borrower’ means a borrower of a
14 loan made under this part who, at the time of appli-
15 cation for entrance in the restructured repayment
16 schedule, is—

17 “(A) an agricultural producer; and

18 “(B)(i) a beginning farmer or rancher (as
19 defined under section 343(a) of the Consoli-
20 dated Farm and Rural Development Act (7
21 U.S.C. 1991(a));

22 “(ii) a socially disadvantaged farmer or
23 rancher (as defined in section 355(e) of the
24 Consolidated Farm and Rural Development Act
25 (7 U.S.C. 2003(e)); or

1 “(iii) a veteran farmer or rancher (as de-
2 fined in section 2501(e) of the Food, Agri-
3 culture, Conservation, and Trade Act of 1990
4 (7 U.S.C. 2279(e)).

5 “(3) RESTRUCTURING OPTIONS.—After enter-
6 ing into an agreement with the Secretary to pay ac-
7 cording to one of the schedules described in subpara-
8 graph (B), and submitting any supporting docu-
9 mentation that the Secretary may reasonably re-
10 quire, an eligible borrower—

11 “(A) shall not be required to make pay-
12 ments for a loan under this part on a monthly
13 basis; and

14 “(B) may make those payments on a quar-
15 terly, biannual, or annual basis.

16 “(4) FEES, COSTS, AND INTEREST.—In car-
17 rying out restructured repayment schedules under
18 this subsection, the Secretary—

19 “(A) shall ensure that such schedules do
20 not exceed the cost to the Federal Government,
21 as determined on the basis of the present value
22 of future payments by such borrowers, of loans
23 made using repayment schedules that require
24 monthly payments;

1 “(B) shall not charge a fee to eligible bor-
2 rowers for participation in the restructured re-
3 payment schedule; and

4 “(C) shall not charge the eligible borrower
5 a higher interest rate than the eligible borrower
6 would otherwise be charged if the borrower was
7 not on a restructured repayment schedule.”.

8 (b) REGULATIONS.—Not more than 180 days after
9 the date of enactment of this Act, the Secretary of Edu-
10 cation, in consultation with the Secretary of Agriculture,
11 shall promulgate final regulations to carry out this section.

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