

116TH CONGRESS  
1ST SESSION

# S. 1203

To amend the Higher Education Act of 1965 in order to improve the public service loan forgiveness program, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 11, 2019

Mrs. GILLIBRAND (for herself, Mr. KAINE, Ms. WARREN, Mr. BLUMENTHAL, Ms. KLOBUCHAR, Mr. DURBIN, Ms. HARRIS, Mr. VAN HOLLEN, Mr. BOOKER, Mrs. SHAHEEN, Mr. MERKLEY, Ms. HASSAN, Ms. DUCKWORTH, Mr. SANDERS, Ms. BALDWIN, Mr. BENNET, Mr. CASEY, and Ms. ROSEN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Higher Education Act of 1965 in order to improve the public service loan forgiveness program, 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 “What You Can Do  
5 For Your Country Act”.

6 **SEC. 2. AMENDMENTS TO THE PUBLIC SERVICE LOAN FOR-**  
7 **GIVENESS PROGRAM.**

8 (a) PUBLIC SERVICE LOAN FORGIVENESS.—

1           (1) IN GENERAL.—Section 455(m) of the High-  
 2           er Education Act of 1965 (20 U.S.C. 1087e(m)) is  
 3           amended to read as follows:

4           “(m) LOAN FORGIVENESS FOR FEDERAL STUDENT  
 5           LOAN BORROWERS EMPLOYED IN PUBLIC SERVICE.—

6           “(1) DEFINITIONS.—In this subsection:

7           “(A) CERTIFICATION OF EMPLOYMENT.—

8           The term ‘certification of employment’ means a  
 9           certification of employment under paragraph  
 10          (4).

11          “(B) FULL-TIME.—The term ‘full-time’,  
 12          when used with respect to employment, means  
 13          employment—

14                 “(i) with a qualifying employer for not  
 15                 less than 30 hours per week; or

16                 “(ii) with 2 or more qualifying em-  
 17                 ployers for a total of not less than 30  
 18                 hours per week.

19          “(C) QUALIFYING EMPLOYER.—The term  
 20          ‘qualifying employer’ means—

21                 “(i) a Federal, State, local, or Tribal  
 22                 government organization or instrumen-  
 23                 tality, including any organization estab-  
 24                 lished in law as a body politic;

1           “(ii) an organization that is described  
2           in section 501(c)(3) of the Internal Rev-  
3           enue Code of 1986, and exempt from tax-  
4           ation under section 501(a) of such Code;  
5           or

6           “(iii) an organization—

7                   “(I) not described in clause (ii)  
8                   that is a not-for-profit organization  
9                   under other Federal or State law;

10                   “(II) that is not a labor organi-  
11                   zation or partisan political organiza-  
12                   tion; and

13                   “(III) whose purpose is to di-  
14                   rectly provide any of the following  
15                   services, as defined in regulations pro-  
16                   mulgated the Secretary:

17                           “(aa) Emergency manage-  
18                           ment and disaster response.

19                           “(bb) Military service.

20                           “(cc) Public safety services,  
21                           including fire prevention and  
22                           suppression, rescue services, haz-  
23                           ardous materials response, ambu-  
24                           lance services, and emergency  
25                           medical services.

1 “(dd) Law enforcement.

2 “(ee) Public health, includ-  
3 ing service through organizations  
4 that employ nurses, nurse practi-  
5 tioners, nurses in a clinical set-  
6 ting, or professionals engaged in  
7 health care practitioner occupa-  
8 tions and health care support oc-  
9 cupations, as such terms are de-  
10 fined by the Bureau of Labor  
11 Statistics.

12 “(ff) Public education, in-  
13 cluding the provision of edu-  
14 cational enrichment or support  
15 directly to students or their fami-  
16 lies, employment with a Tribal  
17 College or University (as defined  
18 in section 316(b)), and employ-  
19 ment as an adjunct faculty mem-  
20 ber or instructor for an edu-  
21 cational institution.

22 “(gg) Public interest law  
23 services, including prosecution or  
24 public defense or legal advocacy  
25 on behalf of low-income commu-

1 nities at a not-for-profit organi-  
2 zation.

3 “(hh) Early childhood edu-  
4 cation, including licensed or regu-  
5 lated childcare, Head Start pro-  
6 grams, and State funded pre-  
7 kindergarten.

8 “(ii) Public service for indi-  
9 viduals with disabilities.

10 “(jj) Public service for the  
11 elderly.

12 “(kk) Public and school-  
13 based library sciences.

14 “(ll) School-based services,  
15 including the provision of non-  
16 educational enrichment or sup-  
17 port directly to students or their  
18 families.

19 “(mm) Social work, includ-  
20 ing child or family services.

21 “(D) QUALIFYING MONTHLY PAYMENT OB-  
22 LIGATION.—The term ‘qualifying monthly pay-  
23 ment obligation’ means a monthly payment obli-  
24 gation due on a loan under the repayment plan  
25 of the borrower—

1                   “(i) that was satisfied by the borrower  
2                   through a payment made after October 1,  
3                   2007; and

4                   “(ii) attributable to a period during  
5                   which the borrower was employed full-time  
6                   by a qualifying employer.

7                   “(2) IN GENERAL.—Beginning on July 1, 2019,  
8                   the Secretary shall forgive the applicable percentage  
9                   described in paragraph (3) of the balance of prin-  
10                  cipal and interest due on a loan made under this  
11                  part for a borrower who has satisfied 60 or 120  
12                  qualifying monthly payment obligations on a loan  
13                  made under this part and submitted any certifi-  
14                  cation of employment required under this subsection.

15                  “(3) LOAN FORGIVENESS AFTER 60 PAYMENT  
16                  OBLIGATIONS AND 120 PAYMENT OBLIGATIONS.—  
17                  The applicable percentages under this paragraph  
18                  shall be—

19                         “(A) in the case of a borrower who satis-  
20                         fies 60 qualifying monthly payment obligations  
21                         on a loan made under this part that is not in  
22                         default (as defined in section 435), 50 percent  
23                         of the total amount of the balance of principal  
24                         and interest due on such loan as of the date of  
25                         the loan forgiveness; and

1           “(B) in the case of a borrower who satis-  
2           fies 120 qualifying monthly payment obligations  
3           on a loan made under this part that is not in  
4           default, 100 percent of the balance of principal  
5           and interest due on such loan as of the date of  
6           the loan forgiveness.

7           “(4) CERTIFICATION OF EMPLOYMENT RE-  
8           QUIREMENTS.—

9           “(A) IN GENERAL.—In order to receive  
10          loan forgiveness under this subsection, a bor-  
11          rower of a loan made under this part shall sub-  
12          mit to the Secretary a certification of employ-  
13          ment.

14          “(B) CONTENT OF CERTIFICATION.—The  
15          Secretary shall—

16                 “(i) develop, and make easily acces-  
17                 sible, the certification of employment; and

18                 “(ii) ensure that the method of certifi-  
19                 cation—

20                         “(I) allows for the employer to  
21                         indicate and certify the dates of the  
22                         borrower’s employment; and

23                         “(II) provides electronic signa-  
24                         ture options for the employer and for  
25                         the borrower.

1           “(C) BORROWER ACCESS.—The Secretary  
2 shall ensure that a borrower may submit a cer-  
3 tification of employment to the Secretary elec-  
4 tronically through any information system  
5 through which the Secretary permits borrowers  
6 to take self-service actions with respect to their  
7 loans.

8           “(D) EXCEPTION FOR SELF-CERTIFI-  
9 CATION.—The Secretary shall provide a self-  
10 certification option for the certification of em-  
11 ployment for borrowers who have extenuating  
12 circumstances preventing the borrowers from  
13 obtaining the qualifying employer signature and  
14 certification required under subparagraph  
15 (B)(ii), as determined by the Secretary pursu-  
16 ant to rulemaking and including situations  
17 where an employer is no longer in existence or  
18 refuses to cooperate.

19           “(E) PERIODIC REVIEW OF CERTIFICATION  
20 OF EMPLOYMENT.—For each borrower of a loan  
21 made under this part who has submitted a cer-  
22 tification of employment, the Secretary shall—

23                   “(i) by not later than 30 days after  
24 receipt of the certification of employ-  
25 ment—



1           “(I) review the certification of  
2           employment and determine the num-  
3           ber of qualifying monthly payment ob-  
4           ligations satisfied on the loan during  
5           the period of employment covered by  
6           the certification of employment;

7           “(II) inform the borrower of the  
8           number of qualifying monthly pay-  
9           ment obligations satisfied; and

10          “(III) inform the borrower of the  
11          number of remaining qualifying  
12          monthly payment obligations to be  
13          satisfied in order for the borrower to  
14          receive partial loan forgiveness under  
15          paragraph (3)(A), and such number  
16          needed to receive full loan forgiveness  
17          under paragraph (3)(B); and

18          “(ii) periodically, but not less than  
19          twice annually, notify the borrower, using  
20          the most recent calculation of qualifying  
21          monthly payment obligations, of—

22                 “(I) the number of qualifying  
23                 monthly payment obligations satisfied,  
24                 as of the date of the notice;

1           “(II) the number of remaining  
2           qualifying monthly payment obliga-  
3           tions to be satisfied in order for the  
4           borrower to receive partial loan for-  
5           giveness under paragraph (3)(A), and  
6           such number needed to receive full  
7           loan forgiveness under paragraph  
8           (3)(B);

9           “(III) any steps the borrower can  
10          take to convert non-qualifying month-  
11          ly payment obligations into qualifying  
12          monthly payment obligations, includ-  
13          ing the options to provide payments to  
14          satisfy monthly payment obligations  
15          for past public service under para-  
16          graph (5)(C); and

17          “(IV) the dispute resolution proc-  
18          ess for the Secretary’s determination  
19          of qualifying monthly payment obliga-  
20          tions, as described in paragraph (7).

21                 “(5) QUALIFYING MONTHLY PAYMENT OBLIGA-  
22                 TIONS.—

23                 “(A) IN GENERAL.—For purposes of this  
24                 subsection, the number of qualifying monthly  
25                 payment obligations satisfied on a loan is the

1 number of monthly payments, during the period  
2 of employment and based on the repayment  
3 plan selected by the borrower for such period,  
4 that would be satisfied based on applying the  
5 total amount of payments made by the bor-  
6 rower on the loan at any time during such pe-  
7 riod.

8 “(B) ADJUSTMENT OF PAYMENT OBLIGA-  
9 TION STATUS.—

10 “(i) HOLD HARMLESS AGAINST RET-  
11 ROACTIVE DETERMINATIONS.—If the Sec-  
12 retary has classified a payment obligation  
13 satisfied by a borrower of a loan made  
14 under this part as a qualifying monthly  
15 payment obligation and later determines  
16 that the payment obligation does not qual-  
17 ify, the Secretary shall deem the payment  
18 obligation to be a qualifying monthly pay-  
19 ment obligation to be counted for purposes  
20 of paragraph (2).

21 “(ii) EXPLANATION OF NON-QUALI-  
22 FYING PAYMENT OBLIGATION DETERMINA-  
23 TIONS.—If the Secretary determines that  
24 payments made by a borrower of a loan  
25 made under this part for a period of full-

1           time employment with a qualifying em-  
2           ployer cannot be applied toward the total  
3           number of qualifying monthly payment ob-  
4           ligations for purposes of paragraph (2),  
5           the Secretary shall provide a borrower with  
6           an explanation and allow the borrower to  
7           correct the reason for such determination,  
8           to the extent possible. Such borrower reme-  
9           diation shall include, at a minimum, pro-  
10          viding a borrower with the opportunity to  
11          reimburse the Secretary for any under-  
12          payment.

13           “(C) SATISFYING PREVIOUSLY NON-QUALI-  
14          FYING MONTHLY PAYMENT OBLIGATIONS.—

15           “(i) IN GENERAL.—A borrower of a  
16          loan made under this part who has a pe-  
17          riod during which the borrower was em-  
18          ployed full-time with a qualifying employer  
19          but did not satisfy one or more qualifying  
20          monthly payment obligations during such  
21          period, such as a borrower who was in  
22          deferment or forbearance, may satisfy one  
23          or more monthly payment obligations of  
24          that period at a later date by paying the  
25          additional amount needed to satisfy the

1           qualifying monthly payment obligation, in  
2           accordance with a process established by  
3           the Secretary.

4           “(ii) DETERMINATION PROCESS.—The  
5           amount of past monthly payment obliga-  
6           tions satisfied by a payment under this  
7           subparagraph for a period of employment  
8           shall be determined using the amount of  
9           the borrower’s monthly payment, based on  
10          any repayment plan, as selected by the  
11          borrower, that could have been selected by  
12          the borrower during such period. The Sec-  
13          retary may require a borrower wishing to  
14          satisfy past monthly payment obligations  
15          under this subparagraph to submit any ad-  
16          ditional information necessary to calculate  
17          the amount of the past payments.

18          “(iii) LIMIT.—A borrower may not  
19          satisfy more than 36 past monthly pay-  
20          ment obligations under this subparagraph.

21          “(6) SPECIAL RULES RELATING TO FEDERAL  
22          DIRECT CONSOLIDATION LOANS.—

23                  “(A) REVIEW OF ANY NEW CONSOLIDA-  
24                  TION LOAN APPLICATION.—

1           “(i) PUBLIC SERVICE LOAN FORGIVE-  
2           NESS OPTION ON CONSOLIDATION APPLICA-  
3           TION.—Beginning on July 1, 2019, the  
4           Secretary shall include, in any application  
5           for a Federal Direct Consolidation Loan,  
6           the option for the borrower to indicate that  
7           the borrower is consolidating for the pur-  
8           pose of using the public service loan for-  
9           giveness program under this subsection.

10           “(ii) REVIEW.—Beginning on July 1,  
11           2019, the Secretary shall, after issuing any  
12           Federal Direct Consolidation Loan to a  
13           borrower who indicated an interest in the  
14           public service loan forgiveness program on  
15           the loan application—

16                   “(I) request that the borrower  
17                   submit a certification of employment;  
18                   and

19                   “(II) after receiving a complete  
20                   certification of employment, review  
21                   the borrower’s past payments on all  
22                   component loans comprising the Fed-  
23                   eral Direct Consolidation Loan and  
24                   inform the borrower—

1           “(aa) of the number of  
2           monthly payment obligations sat-  
3           isfied by the borrower before the  
4           date of consolidation that are  
5           qualifying monthly payment obli-  
6           gations, in accordance with sub-  
7           paragraph (B); or

8           “(bb) if no payment obliga-  
9           tions are satisfied, that the bor-  
10          rower will not receive any credit  
11          towards public service loan for-  
12          givenness under this subsection for  
13          the Federal Direct Consolidation  
14          Loan.

15               “(B) QUALIFYING PAYMENT OBLIGATIONS  
16               ON ALL COMPONENT LOANS AND LOAN TYPES  
17               THROUGH CONSOLIDATION.—In the case of a  
18               borrower of one or more loans eligible for con-  
19               solidation, including loans made under part B,  
20               who applies for, and receives, a Federal Direct  
21               Consolidation Loan, the Secretary shall request  
22               the borrower submit a certification of employ-  
23               ment for any qualifying employment and, after  
24               receiving the certification of employment,  
25               shall—

1           “(i) review the borrower’s payment  
2 history on each of the component loans  
3 comprising the Federal Direct Consolida-  
4 tion Loan, including each loan made under  
5 part B; and

6           “(ii) for each component loan—

7               “(I) calculate the weighted factor  
8 of the component loan, which shall be  
9 the factor that represents the ratio  
10 between the amount of the component  
11 loan and the amount of the Federal  
12 Direct Consolidation Loan, as deter-  
13 mined by the Secretary;

14               “(II) determine the number of  
15 equivalent monthly payment obliga-  
16 tions toward the Federal Direct Con-  
17 solidation Loan satisfied on the com-  
18 ponent loan by multiplying the weight-  
19 ed factor for the component loan by  
20 the number of qualifying monthly pay-  
21 ment obligations that the borrower  
22 satisfied on the component loan; and

23               “(III) after rounding the number  
24 determined under subclause (II) to  
25 the nearest whole number, deem that



1                   number of equivalent monthly pay-  
2                   ment obligations to be qualifying  
3                   monthly payment obligations on the  
4                   Federal Direct Consolidation Loan.

5                   “(C) APPLICABILITY OF BORROWER PRO-  
6                   TECTIONS AND RIGHTS.—A borrower of one or  
7                   more loans eligible for consolidation, including  
8                   loans made under part B, who applies for and  
9                   receives a Federal Direct Consolidation Loan  
10                  shall receive all the protections and rights pro-  
11                  vided under subparagraphs (B) and (C) of  
12                  paragraph (5) for the loan, and for any compo-  
13                  nent loan, in the same manner as provided to  
14                  any other borrower of a loan made under this  
15                  part.

16                  “(7) NOTICE OF QUALIFYING PAYMENT OBLIGA-  
17                  TIONS.—

18                  “(A) INITIAL NOTICE.—Upon receiving  
19                  any verbal or written contact by a borrower on  
20                  or after July 1, 2019, expressing interest in the  
21                  public service loan forgiveness program under  
22                  this subsection, the Secretary, or an eligible  
23                  lender or guaranty agency under part B, shall  
24                  provide the borrower, by not later than 30 days  
25                  after the contract, with a notice that—

1           “(i) explains the requirements of the  
2 program, including whether the borrower  
3 needs to consolidate some or all of the bor-  
4 rower’s loans to receive forgiveness under  
5 this subsection;

6           “(ii) includes a copy of, or a link to,  
7 information about the certification of em-  
8 ployment process described in paragraph  
9 (4);

10           “(iii) includes an estimate of the  
11 qualifying monthly payment obligations  
12 that would be satisfied by the borrower  
13 based on the borrower’s payment history,  
14 as of the date of notice, if the borrower  
15 was a full-time employee of a qualifying  
16 employer and met the requirements of  
17 paragraph (2); and

18           “(iv) includes an estimate of the num-  
19 ber of remaining qualifying monthly pay-  
20 ment obligations to be satisfied in order  
21 for the borrower to receive partial loan for-  
22 giveness under paragraph (3)(A), and such  
23 number needed to receive full loan forgive-  
24 ness under paragraph (3)(B).

1           “(B) SUBSEQUENT NOTICES.—After pro-  
2           viding an initial notice under subparagraph (A),  
3           the Secretary, or an eligible lender or guaranty  
4           agency under part B, shall annually provide the  
5           borrower with a notice containing the informa-  
6           tion described in such subparagraph for each  
7           subsequent year that the borrower has an out-  
8           standing loan, unless the borrower receives no-  
9           tices under paragraph (4)(E)(ii) or requests  
10          that the notices be discontinued.

11          “(8) DISPUTE RESOLUTION PROCESS.—By not  
12          later than July 1, 2019, the Secretary shall establish  
13          a process for borrowers to dispute the calculation of  
14          qualifying monthly payment obligations, or the de-  
15          termination of full or partial loan forgiveness under  
16          paragraph (2), following the submission of a certifi-  
17          cation of employment or application for forgiveness  
18          or any successor certification or application.

19          “(9) DATABASE OF QUALIFYING EMPLOYERS.—

20                 “(A) IN GENERAL.—Not later than July 1,  
21                 2019, the Secretary shall—

22                         “(i) establish a database that will in-  
23                         clude all employers from which the Sec-  
24                         retary has received a certification of em-  
25                         ployment; and

1           “(ii) use such database to aid the Sec-  
2           retary in processing a certification of em-  
3           ployment and in providing the notices re-  
4           quired under subsection (r)(3).

5           “(B) DATA MATCHING AGREEMENTS.—

6           “(i) IN GENERAL.—The Secretary  
7           shall enter into data matching agreements  
8           with relevant Federal agencies who possess  
9           records about the status of employers or  
10          the status of borrowers as employees of  
11          qualifying employers for the purpose of  
12          eliminating, to the extent practicable, the  
13          need for a borrower or employer to submit  
14          a certification of employment to the Sec-  
15          retary.

16          “(ii) SPECIFIC FEDERAL AGENCIES.—  
17          Notwithstanding any Federal law, the Sec-  
18          retary of Labor, the Commissioner of In-  
19          ternal Revenue, and the Commissioner of  
20          Social Security shall disclose any relevant  
21          records to the Secretary for the purposes  
22          of meeting the Secretary’s obligations to  
23          reduce barriers to certification of employ-  
24          ment as described in clause (i).

1           “(iii) NOTICE TO BORROWERS.—If the  
2           Secretary receives employer or employment  
3           information regarding a borrower from a  
4           Federal agency pursuant to this subpara-  
5           graph, the Secretary shall timely notify the  
6           borrower that—

7                   “(I) the Secretary received the  
8                   information; and

9                   “(II) the borrower, for the dura-  
10                  tion of the borrower’s employment by  
11                  the employer—

12                          “(aa) is not required to sub-  
13                          mit a certification of employment  
14                          for the employer under para-  
15                          graph (4); or

16                          “(bb) if the information is  
17                          not complete, only needs to sub-  
18                          mit a reduced set of information  
19                          to the Secretary for the certifi-  
20                          cation of employment.

21           “(10) INELIGIBILITY.—

22                   “(A) NO DOUBLE BENEFITS.—No bor-  
23                   rower may, for the same service, receive a re-  
24                   duction of loan obligations under both this sub-  
25                   section and section 428J, 428K, 428L, or 460.

1           “(B) FEDERAL ELECTED SERVICE EX-  
2           CLUDED.—No borrower may receive loan for-  
3           giveness under this subsection for service as a  
4           Member of Congress or President or Vice Presi-  
5           dent of the United States.”.

6           (2) FFEL PROGRAM AMENDMENTS.—Part B of  
7           the Higher Education Act of 1965 (20 U.S.C. 1071  
8           et seq.) is amended—

9                   (A) in section 428 (20 U.S.C. 1078), by  
10           adding at the end the following:

11           “(p) REPAYMENT HISTORY INFORMATION AND PUB-  
12           LIC SERVICE LOAN FORGIVENESS INFORMATION.—A  
13           guaranty agency shall—

14                   “(1) provide, in a timely manner, any necessary  
15           borrower repayment history information that the  
16           Secretary requests in order to determine the bor-  
17           rower’s eligibility for the public service loan forgive-  
18           ness program under section 455(m), or the number  
19           of qualifying monthly payment obligations satisfied  
20           for purposes of the program, including such infor-  
21           mation from all servicers involved in servicing the  
22           borrower’s loan; and

23                   “(2) carry out the requirements of section  
24           455(m)(7) upon receiving any verbal or written con-  
25           tact by a borrower on or after July 1, 2019, express-

1       ing interest in the public service loan forgiveness  
2       program under section 455(m).”; and

3               (B) in section 433 (20 U.S.C. 1083)—

4                       (i) by redesignating subsection (f) as  
5                       subsection (g); and

6                       (ii) by inserting after subsection (e)  
7                       the following:

8               “(f) REPAYMENT HISTORY INFORMATION.—An eligi-  
9       ble lender shall—

10               “(1) provide, in a timely manner, any necessary  
11       borrower repayment history information that the  
12       Secretary requests in order to determine the bor-  
13       rower’s eligibility for the public service loan forgive-  
14       ness program under section 455(m), or the number  
15       of qualifying monthly payment obligations satisfied  
16       for purposes of the public service loan forgiveness  
17       program under section 455(m), including such infor-  
18       mation from all servicers involved in servicing the  
19       borrower’s loan; and

20               “(2) carry out the requirements of section  
21       455(m)(7) upon receiving any verbal or written con-  
22       tact by a borrower on or after July 1, 2019, express-  
23       ing interest in the public service loan forgiveness  
24       program under section 455(m).”.

1           (b) NOTIFICATION TO DIRECT LOAN BORROWERS  
2 REGARDING ALL OPTIONS FOR LOAN FORGIVENESS.—  
3 Section 455 of the Higher Education Act of 1965 (20  
4 U.S.C. 1087e) is amended by adding at the end the fol-  
5 lowing:

6           “(r) ANNUAL NOTICE REGARDING LOAN FORGIVE-  
7 NESS OPTIONS.—

8                   “(1) IN GENERAL.—The Secretary shall annu-  
9 ally provide a written or electronic disclosure to each  
10 borrower of a loan under this part—

11                           “(A) notifying the borrower—

12                                   “(i) of any loan forgiveness option  
13 available under this title that might apply  
14 to a loan under this part held by the bor-  
15 rower, including the public service loan for-  
16 givenness program under subsection (m);  
17 and

18                                   “(ii) in the case of a borrower who is  
19 a full-time employee of a Federal agency  
20 and has not expressed interest in or sub-  
21 mitted a certification of employment for  
22 the public service loan forgiveness pro-  
23 gram—

24   “(I) that the borrower is em-  
25 ployed by a qualifying employer;



1                   “(II) the number of payment ob-  
2                   ligations satisfied by the borrower  
3                   that the Secretary has determined  
4                   could be qualifying monthly payment  
5                   obligations on eligible Federal Direct  
6                   Loan for purposes of the public serv-  
7                   ice loan forgiveness program; and

8                   “(III) the steps necessary for the  
9                   borrower to submit a certification of  
10                  employment and to obtain forgiveness  
11                  under subsection (m)(2);

12                  “(B) informing the borrower that the loan  
13                  forgiveness options described in subparagraph  
14                  (A) are provided free of charge; and

15                  “(C) including, for each loan forgiveness  
16                  option, information regarding how the borrower  
17                  should proceed, including contact information,  
18                  if the borrower wishes to pursue such loan for-  
19                  giveness option.

20                  “(2) EXCLUSIONS.—Notwithstanding para-  
21                  graph (1), the Secretary shall not provide a notifica-  
22                  tion under this subsection to a borrower of a loan  
23                  under this part if—

24                         “(A) the borrower is also receiving a notifi-  
25                         cation under subsection (m)(7); or

1           “(B) the borrower has requested that the  
2           Secretary no longer provide the notifications  
3           under this subsection.”.

4           (c) EFFECTIVE DATE.—The amendments made by  
5 this section shall take effect on July 1, 2019.

6 **SEC. 3. TRANSITION TO IMPROVED PUBLIC SERVICE LOAN**  
7 **FORGIVENESS PROGRAM.**

8           (a) REVIEW OF BORROWERS CURRENTLY PARTICI-  
9 PATING IN PUBLIC SERVICE LOAN FORGIVENESS.—

10           (1) CALCULATING THE NUMBER OF QUALI-  
11 FYING PAYMENT OBLIGATIONS FOR CURRENT PUB-  
12 LIC SERVICE LOAN FORGIVENESS PROGRAM PARTICI-  
13 PANTS.—By not later than July 1, 2019, the Sec-  
14 retary shall, for each borrower that has submitted a  
15 certification of employment under the public service  
16 loan forgiveness program under section 455(m) of  
17 the Higher Education Act of 1965 (20 U.S.C.  
18 1087e) before July 1, 2019—

19           (A) calculate the number of qualifying pay-  
20 ment obligations under such section satisfied by  
21 the borrower, using the criteria of such section  
22 as in effect on July 1, 2019; and

23           (B) inform the borrower of the changes in  
24 the public service loan forgiveness program and  
25 the number of qualifying payment obligations

1           that the borrower will have satisfied for pur-  
2           poses of the program, beginning on July 1,  
3           2019.

4           (2) RETROACTIVE PARTIAL LOAN FORGIVE-  
5           NESS.—By not later than July 1, 2019, the Sec-  
6           retary shall take such steps as are necessary to pro-  
7           vide partial loan forgiveness under section  
8           455(m)(3)(A)(i) of the Higher Education Act of  
9           1965 (20 U.S.C. 1087e(m)(3)(A)(i)), as in effect on  
10          such date, to borrowers with outstanding balance of  
11          principal and interest on a loan made under this  
12          part who met the criteria for partial loan forgiveness  
13          under such section, as in effect on July 1, 2019, be-  
14          fore such date but on or after October 1, 2007.

15          (3) APPLICABILITY OF OTHER PROVISIONS.—In  
16          carrying out paragraphs (1) and (2), and in any  
17          other case where the Secretary is applying the loan  
18          forgiveness provisions of section 455(m) of the High-  
19          er Education Act of 1965 (20 U.S.C. 1087e(m)), as  
20          in effect on July 1, 2019, to a borrower for whom  
21          one or more payment obligations were satisfied be-  
22          fore July 1, 2019, the Secretary shall determine the  
23          number of payment obligations satisfied by applying  
24          all of the provisions of such section as in effect on  
25          July 1, 2019, including the calculation of payment

1 obligations under section 455(m)(5) of such Act and  
2 the inclusion of payment obligations satisfied  
3 through the component loans of a Federal Direct  
4 Consolidation Loan under section 455(m)(6), with-  
5 out regard as to the date on which the payment obli-  
6 gation was satisfied.

7 (b) SPECIAL PSLF PROGRAM FUNDS.—

8 (1) DEFINITION OF SPECIAL PSLF PROGRAM  
9 FUNDS.—In this section, the term “special PSLF  
10 program funds” means the amounts appropriated  
11 for public service loan forgiveness under section 315  
12 of division H of the Consolidated Appropriations  
13 Act, 2018 (Public Law 115–141; March 23, 2018)  
14 or under section 313 of division B of the Depart-  
15 ment of Defense and Labor, Health and Human  
16 Services, and Education Appropriations Act, 2019  
17 and Continuing Appropriations Act, 2019 (Public  
18 Law 115–245; September 28, 2018).

19 (2) RESCISSION.—Upon the effective date de-  
20 scribed in section 2(c), all special PSLF program  
21 funds that remain unexpended on such date shall be  
22 rescinded.

23 (3) TRANSITION.—The Secretary of Education  
24 shall establish a process through which the Secretary  
25 shall—

1           (A) review the applications of borrowers  
2           who applied for the loan forgiveness program  
3           carried out with special PSLF program funds  
4           but had not received loan forgiveness through  
5           such program before July 1, 2019; and

6           (B) assist such borrowers in pursuing loan  
7           forgiveness under section 455(m) of the Higher  
8           Education Act of 1965 (20 U.S.C. 1087e(m)),  
9           as in effect on July 1, 2019.

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