

117TH CONGRESS
1ST SESSION

H. R. 251

To amend the Higher Education Act of 1965 to create a reduction schedule for public service loan forgiveness, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 11, 2021

Mr. KRISHNAMOORTHY introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To amend the Higher Education Act of 1965 to create a reduction schedule for public service loan forgiveness, 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 “Public Service Appre-
5 ciation Through Loan Forgiveness Act”.

6 **SEC. 2. DEPARTMENT ACTIVITIES.**

7 Not later than 180 days after the date of the enact-
8 ment of this Act, the Secretary of Education shall—

9 (1) develop informational materials with respect
10 to the eligibility requirements of the public service

1 loan forgiveness program under section 455(m) of
2 the Higher Education Act of 1965 (20 U.S.C.
3 1087e(m));

4 (2) make such informational materials available
5 on the website of the Department of Education;

6 (3) conduct outreach to not-for-profit institu-
7 tions and government organizations that regularly
8 employ individuals eligible for such public service
9 loan forgiveness program benefits to inform such in-
10 stitutions and organization of such informational
11 materials; and

12 (4) establish an online portal for borrowers to
13 submit employment certification forms to certify em-
14 ployment in a public service job (as defined in such
15 section 455(m)(3)).

16 **SEC. 3. PUBLIC SERVICE LOAN FORGIVENESS REDUCTION**
17 **SCHEDULE.**

18 Section 455(m) of the Higher Education Act of 1965
19 (20 U.S.C. 1087e(m)) is amended by adding at the end
20 the following:

21 “(5) REDUCTION SCHEDULE.—

22 “(A) 10 PERCENT CANCELLATION.—The
23 Secretary shall cancel 10 percent of the balance
24 of interest and principal due on any eligible

1 Federal Direct Loan not in default for a bor-
2 rower who—

3 “(i) has made 48 monthly payments
4 described in paragraph (1)(A);

5 “(ii) is employed in a public service
6 job at the time of such cancellation; and

7 “(iii) has been employed in a public
8 service job during the period in which the
9 borrower makes each of the 48 payments
10 described in clause (i).

11 “(B) 20 PERCENT CANCELLATION.—The
12 Secretary shall cancel 20 percent of the balance
13 of interest and principal due on any eligible
14 Federal Direct Loan not in default for a bor-
15 rower who—

16 “(i) has made 72 monthly payments
17 described in paragraph (1)(A);

18 “(ii) is employed in a public service
19 job at the time of such cancellation; and

20 “(iii) has been employed in a public
21 service job during the period in which the
22 borrower makes each of the 72 payments
23 described in clause (i).

24 “(C) 50 PERCENT CANCELLATION.—The
25 Secretary shall cancel 50 percent of the balance

1 of interest and principal due on any eligible
2 Federal Direct Loan not in default for a bor-
3 rower who—

4 “(i) has made 96 monthly payments
5 described in paragraph (1)(A);

6 “(ii) is employed in a public service
7 job at the time of such cancellation; and

8 “(iii) has been employed in a public
9 service job during the period in which the
10 borrower makes each of the 96 payments
11 described in clause (i).

12 “(D) ELIGIBILITY FOR FURTHER REDUC-
13 TIONS ALLOWED.—A borrower may, for the
14 same service, receive a reduction of loan obliga-
15 tions—

16 “(i) under each of subparagraphs (A),
17 (B), and (C) of this paragraph; and

18 “(ii) under paragraph (1).”.

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