

116TH CONGRESS  
1ST SESSION

# H. R. 4119

To amend the Higher Education Act of 1965 to extend the interest-free grace period certain loans, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 30, 2019

Mr. LAWSON of Florida (for himself, Ms. TLAIB, and Mr. VARGAS) introduced the following bill; which was referred to the Committee on Education and Labor

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## A BILL

To amend the Higher Education Act of 1965 to extend the interest-free grace period certain loans, 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 “Student Loan Defere-  
5 ment Act of 2019”.

6 **SEC. 2. INTEREST-FREE GRACE PERIOD.**

7 (a) REPAYMENT PERIOD.—

8 (1) EXTENSION OF GRACE PERIOD.—Section  
9 428(b)(7)(A) of the Higher Education Act of 1965

1 (20 U.S.C. 1078(b)(7)(A)) is amended by striking  
2 “6 months” and inserting “1 year”.

3 (2) PERKINS.—Section 464(c)(1)(A) of the  
4 Higher Education Act of 1965 (20 U.S.C.  
5 1087dd(c)(1)(A)) is amended—

6 (A) by striking “nine months” and insert-  
7 ing “1 year”; and

8 (B) by striking “9 months” and inserting  
9 “1 year”.

10 (b) INTEREST RATES.—Section 455(b) of the Higher  
11 Education Act of 1965 (20 U.S.C. 1087e(b)) is amended  
12 by adding at the end the following:

13 “(11) IN SCHOOL AND GRACE PERIOD RULES.—  
14 Notwithstanding the preceding paragraphs of this  
15 subsection, with respect to any Federal Direct Staf-  
16 ford Loan or Federal Direct Unsubsidized Stafford  
17 Loan made under this part for which the first dis-  
18 bursement is made on or after July 1, 2020, the ap-  
19 plicable rate of interest for interest which accrues—

20 “(A) prior to the beginning of the repay-  
21 ment period of the loan; or

22 “(B) during the period in which principal  
23 need not be paid (whether or not such principal  
24 is in fact paid) by reason of a provision de-

1           scribed    in    section    428(b)(1)(M)    or  
2           427(a)(2)(C),  
3    shall be equal to zero percent.”.

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