

116TH CONGRESS  
1ST SESSION

# H. R. 781

To require the Secretary of Education to provide a deferment for certain student loans of Federal employees subject to a lapse in discretionary appropriations, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 24, 2019

Mr. PERLMUTTER (for himself and Mr. HURD of Texas) introduced the following bill; which was referred to the Committee on Education and Labor

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## A BILL

To require the Secretary of Education to provide a deferment for certain student loans of Federal employees subject to a lapse in discretionary appropriations, 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 Relief  
5 for Feds Act”.

1 **SEC. 2. SPECIAL DEFERMENT FOR FEDERAL EMPLOYEES**  
2 **DURING LAPSE IN APPROPRIATIONS.**

3 (a) SPECIAL DEFERMENT.—Part G of the Higher  
4 Education Act of 1965 (20 U.S.C. 1088 et seq.) is amend-  
5 ed by adding at the end the following:

6 **“SEC. 493E. SPECIAL DEFERMENT FOR FEDERAL EMPLOYEES**  
7 **DURING LAPSE IN APPROPRIATIONS.**

8 “(a) EFFECT ON PRINCIPAL AND INTEREST.—A bor-  
9 rower of a loan made, insured, or guaranteed under part  
10 B or part D, who meets the requirements described in sub-  
11 section (b) shall be eligible for a deferment, during  
12 which—

13 “(1) periodic installments of principal need not  
14 be paid; and

15 “(2) in the case of a—

16 “(A) loan made, insured, or guaranteed  
17 under part B, the Secretary shall repay any in-  
18 terest owed; and

19 “(B) loan made under part D, interest  
20 shall not accrue.

21 “(b) ELIGIBILITY.—A borrower of a loan described  
22 in subsection (a) shall be eligible for a deferment during—

23 “(1) any period in which such borrower is an  
24 employee—

25 “(A) of a Federal agency that is subject to  
26 a lapse in discretionary appropriations;

1           “(B) of a private entity that has a contract  
2           with a Federal agency subject to a lapse in dis-  
3           cretionary appropriations who is not paid dur-  
4           ing such period due to such lapse in discre-  
5           tionary appropriations;

6           “(C) who is an employee of a State or  
7           other Federal grantee—

8                   “(i) whose compensation is advanced  
9                   or reimbursed in whole or in part by the  
10                  Federal Government, and

11                   “(ii) who is furloughed due to a lapse  
12                  in Federal discretionary appropriations; or

13           “(D) who is furloughed due to a lapse in  
14           Federal discretionary appropriations as an em-  
15           ployee of the District of Columbia Courts, the  
16           Public Defender Service for the District of Co-  
17           lumbia, or the District of Columbia government;  
18           and

19           “(2) the 3 months after the date on which the  
20           lapse in discretionary appropriations described in  
21           subparagraphs (A) through (D) of paragraph (1) ap-  
22           plicable to such employee has ended.”.

23           (b) EFFECT OF SHUTDOWN DEFERMENT ON PUBLIC  
24           SERVICE LOAN FORGIVENESS.—Section 455(m) of the

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

3           “(5) TREATMENT OF MISSED MONTHLY PAY-  
4           MENTS DURING SPECIAL DEFERMENT.—For pur-  
5           poses of calculating the 120 monthly payments on  
6           an eligible Federal Direct Loan under paragraph  
7           (1)(A), the Secretary shall treat an unpaid payment  
8           on a loan under a repayment plan described in  
9           clauses (i) through (iv) of paragraph (1)(A) that oc-  
10          curs during a deferment under section 493E as if  
11          such monthly payment was made on the loan.”.

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