

AMENDMENT TO RULES COMMITTEE PRINT 115-

70

OFFERED BY MRS. DAVIS OF CALIFORNIA

At the end of subtitle F of title V, add the following new section:

1 **SEC. 5___ . NONACCRUAL OF STUDENT LOAN INTEREST**
2 **FOR ELIGIBLE MILITARY BORROWERS.**

3 (a) AGREEMENTS.—The Secretary of Defense shall
4 enter into any necessary agreements, including agree-
5 ments with the Internal Revenue Service and the Sec-
6 retary of Education, to carry out the activities described
7 in this section.

8 (b) NO ACCRUAL OF INTEREST.—

9 (1) IN GENERAL.—The Secretary of Defense
10 shall ensure that student loan interest does not ac-
11 crue for eligible Federal Direct Loans of eligible
12 military borrowers, in accordance with the Federal
13 prohibition on interest accrual for eligible military
14 borrowers under section 455(o) of the Higher Edu-
15 cation Act of 1965 (20 U.S.C. 1087e(o)).

16 (2) ELIGIBLE FEDERAL DIRECT LOAN.—In this
17 section, the term eligible Federal Direct Loan means
18 a loan made under part D of title IV of the Higher

1 Education Act of 1965 (20 U.S.C. 1087a et seq.) for
2 which the first disbursement is made on or after Oc-
3 tober 1, 2008.

4 (c) COMPENSATION.—The Secretary of Defense shall
5 ensure that an eligible military borrower who qualified for
6 the no accrual of interest benefit under such section
7 455(o) during any period beginning on or after October
8 1, 2008, and did not receive the full benefit under such
9 section for which the borrower qualified, is provided com-
10 pensation in an amount equal to the amount of interest
11 paid by the borrower that would have been subject to that
12 benefit.

13 (d) BORROWER REQUEST NOT REQUIRED.—The
14 Secretary of Defense shall obtain or provide any informa-
15 tion necessary to implement the activities described in this
16 section without requiring a request from a borrower.

