

117TH CONGRESS  
2D SESSION

# H. R. 9097

To expand and improve the Public Service Loan Forgiveness Program, and  
for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 30, 2022

Mr. CLYBURN (for himself and Mr. BRENDAN F. BOYLE of Pennsylvania) introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To expand and 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 “Public Service Reward  
5 Act”.

1 **SEC. 2. PUBLIC SERVICE LOAN FORGIVENESS EXPANSION**  
2 **AND IMPROVEMENTS.**

3 Section 455(m) of the Higher Education Act of 1965  
4 (20 U.S.C. 1087e(m)) is amended—

5 (1) by amending paragraph (1) to read as fol-  
6 lows:

7 “(1) FORGIVENESS FOR PUBLIC SERVICE.—

8 “(A) IN GENERAL.—The Secretary shall  
9 forgive the appropriate amount of the balance  
10 due (as determined in accordance with para-  
11 graph (2)) on any eligible Federal loan not in  
12 default for a borrower who, after October 1,  
13 2007—

14 “(i) has been employed full-time in a  
15 public service job for 12 months; and

16 “(ii) for each of the 12 months of em-  
17 ployment described in clause (i), has made  
18 a monthly payment on the eligible Federal  
19 loan.

20 “(B) METHOD OF LOAN FORGIVENESS.—

21 To provide loan forgiveness under this para-  
22 graph, the Secretary is authorized to carry out  
23 a program—

24 “(i) through the holder of the loan, to  
25 assume the obligation to repay a qualified

1 loan amount for a loan made, insured, or  
2 guaranteed under part B of this title;

3 “(ii) to cancel a qualified loan amount  
4 for a loan made under this part; and

5 “(iii) to cancel a qualified loan  
6 amount for a loan made under part E, and  
7 to make payments to institutions of higher  
8 education for an amount equal to the ag-  
9 gregate of the amounts of loans from its  
10 student loan fund which are canceled pur-  
11 suant to this subsection, in accordance  
12 with the requirements of section 465(b).

13 “(C) SPECIAL RULES.—

14 “(i) FORGIVENESS OF PARENT PLUS  
15 LOANS.—A borrower of a loan under sec-  
16 tion 428B, or a Federal Direct PLUS  
17 loan, made on behalf of a dependent stu-  
18 dent may receive loan forgiveness under  
19 this subsection for such loan made on be-  
20 half on a dependent student if the bor-  
21 rower meets the requirements under this  
22 subsection.

23 “(ii) NO DISRUPTION FOR CONSOLI-  
24 DATION.—With respect to a borrower who  
25 is employed full-time in a public service

1 job, monthly loan payments made by the  
2 borrower on an eligible Federal loan before  
3 such loan is consolidated into a consolida-  
4 tion loan that is an eligible Federal loan  
5 under this subsection shall be considered to  
6 be qualifying monthly loan payments on  
7 such consolidation loan for the purpose of  
8 calculating the number of months that the  
9 borrower has been making qualifying pay-  
10 ments on such consolidation loan under  
11 subparagraph (A)(ii).

12 “(D) RULES OF CONSTRUCTION.—Nothing  
13 in this subsection shall be construed to—

14 “(i) require that a borrower perform  
15 the 12 months of employment or make the  
16 12 monthly payments described in sub-  
17 paragraph (A) consecutively in order to  
18 qualify for loan forgiveness under this sub-  
19 section;

20 “(ii) require that a borrower be em-  
21 ployed in a public service job at the time  
22 that the borrower receives forgiveness  
23 under this subsection; or

24 “(iii) authorize the refunding of any  
25 repayment of a loan, except that a bor-

1           rower may be reimbursed for any payment  
2           made after the date on which the borrower  
3           has been approved for forgiveness under  
4           this subsection and before the date on  
5           which the Secretary carries out such for-  
6           giveness.

7           “(E) LOAN FORGIVENESS NOT TAXABLE  
8           INCOME.—The amount of a loan, including in-  
9           terest on a loan, forgiven under this subsection  
10          shall not be considered income for purposes of  
11          the Internal Revenue Code of 1986.

12          “(F) STANDARD PROCEDURES.—Not later  
13          than 180 days after the date of enactment of  
14          the Public Service Reward Act, the Secretary  
15          shall develop and make publicly available the  
16          procedures the Secretary (including the contrac-  
17          tors and servicers involved) will use to—

18                 “(i) determine whether a borrower  
19                 meets the requirements for loan forgive-  
20                 ness under this subsection;

21                 “(ii) determine the amount of forgive-  
22                 ness for which a borrower is eligible under  
23                 paragraph (2); and

1 “(iii) inform any borrower who applies  
2 for and is denied loan forgiveness under  
3 this subsection of—

4 “(I) the reason the borrower’s  
5 application was denied; and

6 “(II) the procedures necessary  
7 for the borrower to appeal the denial;  
8 and

9 “(iv) accept and evaluate an appeal  
10 from a borrower who is denied loan for-  
11 giveness under this subsection.”;

12 (2) by amending paragraph (2) to read as fol-  
13 lows:

14 “(2) LOAN FORGIVENESS AMOUNTS.—

15 “(A) IN GENERAL.—After completion by a  
16 borrower of 12 months of employment and  
17 qualifying payments described in paragraph  
18 (1)(A), the Secretary shall forgive an appro-  
19 priate amount of the balance due on the eligible  
20 Federal loans made to the borrower, as deter-  
21 mined in accordance with subparagraphs (B)  
22 and (C), except that in no case shall the total  
23 amount forgiven by the Secretary under this  
24 paragraph exceed the outstanding balance of  
25 principal and interest due on the eligible Fed-

1           eral loans of the borrower on the date the bor-  
2           rower is approved for such forgiveness.

3           “(B) FORGIVENESS AMOUNTS.—The ap-  
4           propriate amount of forgiveness provided by the  
5           Secretary to a borrower for completing 12  
6           months of employment and qualifying payments  
7           described in paragraph (1)(A) shall be—

8                   “(i) for each of the first, second,  
9                   third, fourth, and fifth times the borrower  
10                  completes 12 months of such employment  
11                  and qualifying payments, an amount equal  
12                  to the total amount of interest that ac-  
13                  crued on each of the eligible Federal loans  
14                  of the borrower during each of such 12  
15                  months;

16                  “(ii) for each of the sixth, seventh,  
17                  eighth, and ninth times the borrower com-  
18                  pletes 12 months of such employment and  
19                  qualifying payments, an amount equal to  
20                  the sum of—

21                   “(I) the total amount of interest  
22                   that accrued on each of the eligible  
23                   Federal loans of the borrower during  
24                   each of such 12 months; and

1                   “(II) 5 percent of the total  
2                   amount outstanding (including prin-  
3                   cipal and interest) on each of the eli-  
4                   gible Federal loans of the borrower on  
5                   the date each such loan first entered  
6                   repayment; and

7                   “(iii) for the tenth time the borrower  
8                   completes 12 months of such employment  
9                   and qualifying payments, 100 percent of  
10                  the outstanding balance of principal and  
11                  interest due on each of the eligible Federal  
12                  loans of the borrower on the date the bor-  
13                  rower is approved for such forgiveness.

14                  “(C) CALCULATION OF FORGIVENESS  
15                  AMOUNTS FOR PAST PUBLIC SERVICE.—In the  
16                  case of a borrower who has completed at least  
17                  12 months of employment and qualifying pay-  
18                  ments described in paragraph (1)(A) (including  
19                  monthly loan payments before consolidation, as  
20                  described in paragraph (1)(C)(ii)) prior to the  
21                  date of enactment of this subsection, the appro-  
22                  priate amount of forgiveness provided by the  
23                  Secretary shall be—

24                         “(i) in the case of a borrower who has  
25                         completed 12 months of such employment



1 and qualifying payments at least 10 times,  
2 but who has not received loan cancellation  
3 under this subsection (as it was in effect  
4 on the day before the date of enactment of  
5 the Public Service Reward Act), 100 per-  
6 cent of the outstanding balance of prin-  
7 cipal and interest due on each of the eligi-  
8 ble Federal loans of the borrower on the  
9 date the borrower is approved for such for-  
10 giveness; and

11 “(ii) in the case of a borrower who  
12 has completed 12 months of such employ-  
13 ment and qualifying payments at least one  
14 time but not more than 9 times, for each  
15 such time the borrower completed 12  
16 months of such employment and qualifying  
17 payments in accordance with subparagraph  
18 (B), an amount equal to the total amount  
19 of interest that accrued on each of the eli-  
20 gible Federal loans of the borrower during  
21 each of such 12 months.

22 “(D) PAST SERVICE DETERMINATION.—A  
23 borrower who has completed at least 12 months  
24 of employment and qualifying payments de-  
25 scribed in subparagraph (C) shall be eligible for

1 forgiveness under this subsection regardless of  
2 whether the borrower would have been eligible  
3 for cancellation as a result of such employment  
4 and payments under this subsection as it was in  
5 effect on the day before the date of enactment  
6 of the Public Service Reward Act.”;

7 (3) in paragraph (3)—

8 (A) by amending subparagraph (A) to read  
9 as follows:

10 “(A) ELIGIBLE FEDERAL LOAN.—The  
11 term ‘eligible Federal Loan’ means any loan  
12 made, insured, or guaranteed under part B,  
13 this part, or part E.”;

14 (B) by redesignating subparagraph (B) as  
15 subparagraph (C), and by inserting before sub-  
16 paragraph (C) (as so redesignated) the fol-  
17 lowing:

18 “(B) MONTHLY PAYMENT.—The term  
19 ‘monthly payment’ means a loan payment of  
20 not less than the minimum monthly amount  
21 due, as required by law or the terms of the  
22 loan, based on the repayment plan applicable to  
23 the loan.”; and

24 (C) by adding at the end the following:

1           “(D) TEMPORARY EXPANDED PSLF PRO-  
2           GRAM.—The term ‘temporary expanded PSLF  
3           program’ includes each loan cancellation pro-  
4           gram under the following provisions of law:

5                   “(i) section 315 of title III of division  
6                   H of the Consolidated Appropriations Act,  
7                   2018 (Public Law 115–141; 132 Stat. 752  
8                   et seq.);

9                   “(ii) section 313 of title III of division  
10                  B the Department of Defense and Labor,  
11                  Health and Human Services, and Edu-  
12                  cation Appropriations Act, 2019 and Con-  
13                  tinuing Appropriations Act, 2019 (Public  
14                  Law 115–245);

15                  “(iii) section 312 of title III of divi-  
16                  sion A of the Further Consolidated Appro-  
17                  priations Act, 2020 (Public Law 116–94);  
18                  and

19                  “(iv) section 310 of Title III of divi-  
20                  sion H of the Omnibus Appropriations Act,  
21                  2021 (Public Law 116–260).”; and

22           (4) by adding at the end the following new  
23           paragraphs:

24                   “(5) NOTICES REGARDING PSLF EXPANSION  
25           AND REQUIREMENTS.—

1           “(A) GENERAL NOTICE.—Not later than  
2           one year after the date of enactment of the  
3           Public Service Reward Act, the Secretary shall  
4           make publicly available, in simple and under-  
5           standable terms, information about the loan  
6           forgiveness program under this subsection, the  
7           changes made to the program by the Public  
8           Service Reward Act, and how such changes may  
9           affect the eligibility of borrowers of eligible  
10          Federal loans for loan forgiveness under this  
11          subsection. Such information shall be easily ac-  
12          cessible through the website of the Department  
13          of Education.

14          “(B) NOTICE TO ALL ELIGIBLE FEDERAL  
15          LOAN BORROWERS.—Not later than 6 months  
16          after the date of enactment of the Public Serv-  
17          ice Reward Act, the Secretary of Education  
18          shall notify all eligible Federal loan borrowers  
19          of the changes made to the program under this  
20          subsection by the Public Service Reward Act,  
21          and how such changes may affect the eligibility  
22          of borrowers for loan forgiveness under this  
23          subsection.

24          “(C) NOTICES FOR BORROWERS DENIED  
25          LOAN CANCELLATION OR LOAN FORGIVE-

1           NESS.—Not later than 6 months after the date  
2           of enactment of the Public Service Reward Act,  
3           the Secretary shall—

4                   “(i) identify and inform each borrower  
5                   who applied for and was denied loan can-  
6                   cellation under this subsection (as in effect  
7                   on the day before the date of enactment of  
8                   the Public Service Reward Act) of—

9                           “(I) the reason the borrower’s  
10                           application was denied; and

11                           “(II) the changes made to the  
12                           program under this subsection by the  
13                           Public Service Reward Act, and how  
14                           such changes may affect the eligibility  
15                           of the borrower for loan forgiveness  
16                           under this subsection;

17                   “(ii) determine whether each such  
18                   borrower qualifies for loan forgiveness  
19                   under this subsection, and if so, forgive the  
20                   borrower’s loans in accordance with this  
21                   subsection (as in effect on the date of such  
22                   forgiveness);

23                   “(iii) in the case of such a borrower  
24                   who does not qualify for loan forgiveness

1 under this subsection, notify the borrower  
2 of—

3 “(I) any options to qualify for  
4 loan forgiveness under this subsection,  
5 and how to successfully pursue such  
6 options; and

7 “(II) the procedures necessary  
8 for the borrower to appeal the deter-  
9 mination that the borrower does not  
10 qualify for such loan forgiveness; and

11 “(iv) develop a process to inform any  
12 borrower who applies for and is denied  
13 loan forgiveness under this subsection after  
14 the date of enactment of the Public Service  
15 Reward Act of—

16 “(I) the reason the borrower’s  
17 application was denied; and

18 “(II) the procedures necessary  
19 for the borrower to appeal the denial.

20 “(D) NOTICE TO EMPLOYERS.—With re-  
21 spect to each employer listed in the database  
22 described in paragraph (6), the Secretary shall,  
23 on an annual basis and in a manner that is  
24 consistent with Federal laws on data privacy—

1 “(i) provide each such employer with  
2 standardized information on the program  
3 under this subsection, including eligibility  
4 requirements; and

5 “(ii) encourage the employer to pro-  
6 vide such information to employees.

7 “(E) NOTICE TO INSTITUTIONS OF HIGH-  
8 ER EDUCATION.—With respect to each institu-  
9 tion of higher education participating in any  
10 program under this title, the Secretary shall, on  
11 an annual basis, provide each such institution  
12 with standardized information on the program  
13 under this subsection, including eligibility re-  
14 quirements for loan forgiveness.

15 “(F) ACCESSIBILITY OF NOTICES TO BOR-  
16 ROWERS.—In carrying out subparagraphs (A),  
17 (B), and (C), the Secretary shall—

18 “(i) in conjunction with the Bureau of  
19 the Census, determine the most common  
20 languages spoken by English learner stu-  
21 dents and their parents in the United  
22 States;

23 “(ii) develop and make publicly avail-  
24 able versions of such notices in not fewer  
25 than 5 of the most common languages de-

1           terminated under clause (i) and make such  
2           versions available and accessible to bor-  
3           rowers in paper and electronic formats;  
4           and

5           “(iii) ensure that such notices are  
6           available in formats accessible to individ-  
7           uals with disabilities and compliant with  
8           the most recent Web Content Accessibility  
9           Guidelines, or successor guidelines.

10          “(6) DATABASE OF PUBLIC SERVICE JOBS;

11          DATA MATCHING.—

12          “(A) DATABASE.—Not later than 18  
13          months after the date of enactment of the Pub-  
14          lic Service Reward Act, the Secretary shall es-  
15          tablish and maintain a publicly accessible data-  
16          base of employers that employ individuals in  
17          public service jobs. In establishing such data-  
18          base, the Secretary shall consult with relevant  
19          Federal agencies that possess records about the  
20          status of borrowers of eligible Federal loans as  
21          employees in public service jobs.

22          “(B) DATA MATCHING AGREEMENTS.—

23          “(i) IN GENERAL.—The Secretary  
24          shall enter into data matching agreements  
25          with relevant Federal agencies that possess



1 records about the status of borrowers of el-  
2 igible Federal loans as employees in public  
3 service jobs for the purpose of eliminating,  
4 to the extent practicable, the need for a  
5 borrower or an employer to submit a cer-  
6 tification of employment to the Secretary.  
7 Such data matching agreements may—

8 “(I) permit the Secretary to iden-  
9 tify and notify borrowers of potential  
10 eligibility for loan forgiveness under  
11 this subsection; and

12 “(II) include identifying bor-  
13 rowers using employer identification  
14 numbers.

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

24 “(iii) NOTICE TO BORROWERS.—If the  
25 Secretary receives employer or employment

1 information regarding a borrower from a  
2 Federal agency pursuant to this para-  
3 graph, the Secretary shall timely notify the  
4 borrower that the Secretary received such  
5 information.

6 “(C) REPORT.—Not later than 180 days  
7 after the date of enactment of the Public Serv-  
8 ice Reward Act, the Secretary, jointly with the  
9 heads of relevant Federal agencies, shall report  
10 to the authorizing committees on the progress  
11 being made to create the database required  
12 under subparagraph (A) and to implement the  
13 data matching agreements required under sub-  
14 paragraph (B).

15 “(7) ONLINE PORTAL.—

16 “(A) BORROWERS.—Not later than 18  
17 months after the date of enactment of the Pub-  
18 lic Service Reward Act, the Secretary shall en-  
19 sure that borrowers have access to an online  
20 portal that provides each borrower who signs on  
21 to such portal with the following:

22 “(i) Instructions on how to access the  
23 database under paragraph (6) so that the  
24 borrower can determine whether the bor-  
25 rower is employed in a public service job.

1           “(ii) An identification of the loans of  
2           the borrower that are eligible Federal  
3           loans.

4           “(iii) With respect to each such eligi-  
5           ble Federal loan, the number of monthly  
6           payments on such loan that qualify as a  
7           monthly payment under paragraph (1)(A),  
8           and the estimated number of monthly pay-  
9           ments under paragraph (1)(A) remaining  
10          on such loan before the borrower may be  
11          eligible for loan forgiveness under this sub-  
12          section.

13          “(iv) With respect to each loan of the  
14          borrower that is not eligible for loan for-  
15          giveness under this subsection, an expla-  
16          nation of why the loan is not so eligible  
17          and instructions on what, if anything, the  
18          borrower may do to make the loan so eligi-  
19          ble.

20          “(v) Instructions for the submission of  
21          any forms associated with such loan for-  
22          giveness, and an ability for the borrower to  
23          use the portal to electronically sign and  
24          submit such forms.

1           “(B) EMPLOYERS.—The Secretary shall  
2           ensure that an employer of a borrower has the  
3           ability to electronically sign and submit any  
4           forms associated with loan forgiveness under  
5           this subsection.

6           “(C) INFORMATION.—The Secretary shall  
7           ensure that any information provided through  
8           the online portal described in this paragraph—

9                   “(i) is up-to-date information; and

10                   “(ii) is provided in a written format,  
11                   through email or regular mail, if so re-  
12                   quested by the borrower or employer.

13           “(8) REPORTS.—

14           “(A) FINAL REPORT ON LOAN CANCELLA-  
15           TION.—Not later than 180 days after the date  
16           of enactment of the Public Service Reward Act,  
17           the Secretary shall submit to the authorizing  
18           committees and make publicly available a final  
19           report on loan cancellation under this sub-  
20           section on and before such date of enactment,  
21           including—

22                   “(i) the number of borrowers who re-  
23                   ceived loan cancellation under this sub-  
24                   section (as in effect on the day before such  
25                   date of enactment) on or before such date

1 of enactment, and the number and per-  
2 centage of such borrowers whose applica-  
3 tion for such loan cancellation had been  
4 previously denied before receiving such  
5 cancellation;

6 “(ii) the total number of borrowers  
7 whose application for loan cancellation  
8 under this subsection (as in effect on the  
9 day before such date of enactment) that  
10 was submitted on or before such date of  
11 enactment was denied, and a description of  
12 why each such application was so denied;

13 “(iii) the number of borrowers de-  
14 scribed in clause (ii) who contacted the  
15 Secretary (on or before such date of enact-  
16 ment) to determine how to qualify for such  
17 loan cancellation or for loan cancellation  
18 under the temporary expanded PSLF pro-  
19 gram; and

20 “(iv) a list of reasons why certain  
21 payments made on eligible Federal Direct  
22 loans did not qualify as one of the monthly  
23 payments described in paragraph (1)(A)  
24 (as such paragraph was in effect on the  
25 day before such date of enactment).

1           “(B) ANNUAL REPORT ON LOAN FORGIVE-  
2           NESS.—Beginning in fiscal year 2024 and an-  
3           nually thereafter, the Secretary shall submit to  
4           the authorizing committees an annual report  
5           with respect to the preceding fiscal year, on—

6                   “(i) the number of borrowers who re-  
7                   ceived loan forgiveness under this sub-  
8                   section after the date of enactment of the  
9                   Public Service Reward Act;

10                   “(ii) the number and percentage of  
11                   borrowers described in clause (i) whose ap-  
12                   plication for loan cancellation under this  
13                   subsection (as in effect on the day before  
14                   such date of enactment) was denied on or  
15                   before such date of enactment; and

16                   “(iii) the number and percentage of  
17                   borrowers whose application for loan for-  
18                   giveness under this subsection was denied,  
19                   including—

20                           “(I) a description of why each  
21                           such application was so denied; and

22                           “(II) whether each such borrower  
23                           had, on or before such date of enact-  
24                           ment, submitted an application for  
25                           loan cancellation under this subsection

1 (as in effect on the day before such  
2 date of enactment) that was denied.”.

3 **SEC. 3. AUTHORIZATION OF DISCLOSURE BY SECRETARY**  
4 **OF THE TREASURY.**

5 (a) IN GENERAL.—Section 6103(l)(13) of the Inter-  
6 nal Revenue Code of 1986 is amended by adding at the  
7 end the following new subparagraph:

8 “(G) PUBLIC SERVICE LOAN FORGIVE-  
9 NESS.—The Secretary shall, upon written re-  
10 quest from the Secretary of Education, disclose  
11 to any authorized person, only for the purpose  
12 of (and to the extent necessary in) discharging  
13 loans, maintaining the public service jobs data-  
14 base, and entering into data matching agree-  
15 ments under section 455(m) of the Higher Edu-  
16 cation Act of 1965, the following return infor-  
17 mation from returns (for any taxable year spec-  
18 ified by the Secretary of Education as relevant  
19 to such purpose) of an individual:

20 “(i) The return information described  
21 in clauses (i) and (vi) of subparagraph (A).

22 “(ii) The employer identification num-  
23 ber of each employer employing the indi-  
24 vidual during a specified taxable year.

1 “(iii) Verification of whether an indi-  
 2 vidual was employed by an employer dur-  
 3 ing a specified taxable year.

4 “(iv) The name of each employer em-  
 5 ploying the individual during a specified  
 6 taxable year.

7 “(v) The type indicator of the em-  
 8 ployer employing the individual during a  
 9 specified taxable year.”.

10 (b) CONFORMING AMENDMENTS.—

11 (1) Section 6103(p) of such Code is amended—

12 (A) in paragraph (3)(A), by inserting  
 13 “(13)(G),” before “(14),” and

14 (B) in paragraph (4) by inserting  
 15 “(13)(G),” after “(13)(D)(i),” each place it ap-  
 16 pears.

17 (2) Section 7213(a)(2) of such Code is amended  
 18 by inserting “(13)(G),” after “(10), (12),”.

19 (c) EFFECTIVE DATE.—The amendments made by  
 20 this section shall apply to disclosures made on or after  
 21 the date of the enactment of this Act.

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