

118TH CONGRESS
2D SESSION

H. R. 9284

To amend the Servicemembers Civil Relief Act to limit the interest rate on student loans incurred by a servicemember before military service and consolidated or refinanced during military service, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 2024

Mrs. RAMIREZ (for herself, Ms. BONAMICI, Mr. LEVIN, Ms. VELÁZQUEZ, Ms. SALINAS, Ms. ADAMS, Mr. DAVIS of Illinois, Ms. LEE of California, and Ms. NORTON) introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

To amend the Servicemembers Civil Relief Act to limit the interest rate on student loans incurred by a servicemember before military service and consolidated or refinanced during military service, 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 “Servicemember Stu-
5 dent Loan Affordability Act of 2024”.

1 **SEC. 2. LIMITATION ON INTEREST RATE OF STUDENT**
2 **LOANS INCURRED BEFORE MILITARY SERV-**
3 **ICE AND CONSOLIDATED OR REFINANCED**
4 **DURING MILITARY SERVICE.**

5 (a) ESTABLISHMENT.—Subsection (a) of section 207
6 of the Servicemembers Civil Relief Act (50 U.S.C. 3937)
7 is amended—

8 (1) in paragraph (1), by inserting “ON DEBT
9 INCURRED BEFORE SERVICE” after “LIMITATION TO
10 6 PERCENT”;

11 (2) in paragraph (2), by inserting “or (2)”
12 after “paragraph (1)”;

13 (3) in paragraph (3), by striking “paragraph
14 (2)” and inserting “paragraph (3)”;

15 (4) by redesignating paragraphs (2) and (3), as
16 amended, as paragraphs (3) and (4), respectively;
17 and

18 (5) by inserting, after paragraph (1), the fol-
19 lowing new paragraph (2):

20 “(2) LIMITATION TO 6 PERCENT ON STUDENT
21 LOANS INCURRED BEFORE MILITARY SERVICE AND
22 CONSOLIDATED OR REFINANCED DURING MILITARY
23 SERVICE.—

24 “(A) IN GENERAL.—An obligation or li-
25 ability bearing interest at a rate in excess of 6
26 percent per year that is incurred by a service-

1 member, or the servicemember and the
2 servicemember's spouse jointly, during military
3 service to consolidate or refinance a student
4 loan incurred by the servicemember before such
5 military service, shall not bear an interest at a
6 rate in excess of 6 percent during the period of
7 military service.

8 “(B) EXCLUSION.—Subparagraph (A)
9 shall apply only to the consolidation or refi-
10 nancing of student loans described in such sub-
11 paragraph and shall not apply to the consolida-
12 tion or refinancing of any other obligation or li-
13 ability.”.

14 (b) EFFECTIVE DATE OF LIMITATION.—Subsection
15 (b) of such section is amended—

16 (1) in paragraph (1)(A), by striking “the inter-
17 est rate limitation” and inserting “an interest rate
18 limitation”; and

19 (2) in paragraph (2)—

20 (A) by striking the heading and inserting
21 “EFFECTIVE DATE OF LIMITATION”; and

22 (B) by inserting before the period at the
23 end the following: “in the case of an obligation
24 or liability described in paragraph (1) of such
25 subsection, or as of the date on which the serv-

1 icemember incurs (or the servicemember and
2 spouse jointly incur) the obligation or liability
3 described in paragraph (2) of such subsection”.

4 (c) STUDENT LOAN DEFINED.—Subsection (d) of
5 such section is amended by adding at the end the following
6 new paragraph:

7 “(3) STUDENT LOAN.—The term ‘student loan’
8 means any of the following:

9 “(A) A Federal student loan made, in-
10 sured, or guaranteed under title IV of the
11 Higher Education Act of 1965 (20 U.S.C. 1070
12 et seq.).

13 “(B) A private education loan, as such
14 term is defined in section 140(a) of the Truth
15 in Lending Act (15 U.S.C. 1650(a)).”.

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