

118TH CONGRESS
2D SESSION

S. 4281

To establish a student loan forgiveness plan for certain borrowers who are employed at a qualified farm or ranch.

IN THE SENATE OF THE UNITED STATES

MAY 8, 2024

Mr. MURPHY (for himself and Ms. SMITH) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To establish a student loan forgiveness plan for certain borrowers who are employed at a qualified farm or ranch.

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 Forgive-
5 ness for Farmers and Ranchers Act”.

6 **SEC. 2. LOAN FORGIVENESS FOR FARMERS AND RANCH-**
7 **ERS.**

8 (a) AMENDMENT TO THE HEA.—Part D of title IV
9 of the Higher Education Act of 1965 (20 U.S.C. 1087a
10 et seq.) is amended by adding at the end the following:

1 **“SEC. 460A. LOAN FORGIVENESS FOR FARMERS AND**
2 **RANCHERS.**

3 “(a) **QUALIFIED FARM OR RANCH.**—In this section,
4 the term ‘qualified farm or ranch’ means a farm or ranch
5 with a farm number (within the meaning given the term
6 in section 718.2 of title 7, Code of Federal Regulations,
7 as in effect on the date of enactment of the Student Loan
8 Forgiveness for Farmers and Ranchers Act).

9 “(b) **IN GENERAL.**—The Secretary shall cancel the
10 balance of interest and principal due, in accordance with
11 subsection (c), on any eligible Federal Direct Loan not
12 in default for a borrower who—

13 “(1) at the time of initial entrance into the ag-
14 ricultural student loan forgiveness program—

15 “(A) is—

16 “(i) employed full-time or part-time as
17 farmer or rancher with an AD-20347 form
18 on file with the Department of Agriculture
19 that is current on the date of the initial
20 entrance; or

21 “(ii) employed full-time or part-time
22 as an employee or manager of a qualified
23 farm or ranch; and

24 “(B) is—

25 “(i) a beginning farmer or rancher (as
26 defined under section 343(a) of the Con-

1 consolidated Farm and Rural Development
2 Act (7 U.S.C. 1991(a));

3 “(ii) an individual from a population
4 that is underrepresented in the agricultural
5 profession (as determined by the Sec-
6 retary), such as minorities or women;

7 “(iii) a socially disadvantaged farmer
8 or rancher (as defined in section 355(e) of
9 the Consolidated Farm and Rural Develop-
10 ment Act (7 U.S.C. 2003(e)); or

11 “(iv) a veteran farmer or rancher (as
12 defined in section 2501(a) of the Food,
13 Agriculture, Conservation, and Trade Act
14 of 1990 (7 U.S.C. 2279(a));

15 “(2) makes 120 monthly payments on the eligi-
16 ble Federal Direct Loan after the date of enactment
17 of the Student Loan Forgiveness for Farmers and
18 Ranchers Act, pursuant to any one or a combination
19 of—

20 “(A) payments under an income-based re-
21 payment plan under section 493C;

22 “(B) payments under a standard repay-
23 ment plan under section 455(d)(1)(A), based on
24 a 10-year repayment period;

1 “(C) monthly payments under a repayment
2 plan under subsection (d)(1) or (g) of section
3 455 of not less than the monthly amount cal-
4 culated under section 455(d)(1)(A), based on a
5 10-year repayment period; or

6 “(D) payments under an income contin-
7 gent repayment plan under section
8 455(d)(1)(D);

9 “(3) is employed full-time as an employee or
10 manager of a qualified farm or ranch at the time of
11 such forgiveness; and

12 “(4) has been employed full-time as an em-
13 ployee or manager of a qualified farm or ranch dur-
14 ing the period in which the borrower makes each of
15 the qualifying payments described in paragraph (2).

16 “(c) LOAN CANCELLATION AMOUNT.—After the con-
17 clusion of the employment period described in subsection
18 (b), the Secretary shall cancel the obligation to repay the
19 balance of principal and interest due as of the time of such
20 cancellation, on the eligible Federal Direct Loans made
21 to the borrower under this part.

22 “(d) REMOVAL FROM THE PROGRAM.—

23 “(1) IN GENERAL.—Subject to paragraph (2),
24 the Secretary shall remove a borrower from the agri-

1 cultural student loan forgiveness program if the bor-
2 rower—

3 “(A) was less than 40 years old when the
4 borrower entered the agricultural student loan
5 forgiveness program, and that borrower fails to
6 be employed full-time as an employee or man-
7 ager of a qualified farm or ranch for a cumu-
8 lative period of more than 7 years after enter-
9 ing the program; or

10 “(B) was 40 years old or older when the
11 borrower entered the agricultural student loan
12 forgiveness program, and that borrower fails to
13 be employed full-time as an employee or man-
14 ager of a qualified farm or ranch for a cumu-
15 lative period of more than 3 years after enter-
16 ing the program.

17 “(2) EXCEPTION FOR MILITARY SERVICE.—The
18 Secretary shall not consider any of the following as
19 a period of time counting toward removal from the
20 agricultural student loan forgiveness program for
21 purposes of paragraph (1):

22 “(A) Time serving on active duty during a
23 war or other military operation or national
24 emergency.

1 “(B) Time performing qualifying National
2 Guard duty during a war or other military op-
3 eration or national emergency.

4 “(C) The 180-day period following the de-
5 mobilization date for the service described in
6 subparagraph (A) or (B).

7 “(3) READMISSION PROHIBITED.—The Sec-
8 retary shall not allow a borrower who has been re-
9 moved from the agricultural student loan forgiveness
10 program under this section to be readmitted to the
11 program, unless the Secretary finds that the bor-
12 rower has experienced exceptional circumstances.

13 “(e) ELIGIBLE FEDERAL DIRECT LOAN.—The term
14 ‘eligible Federal Direct Loan’ means a Federal Direct
15 Stafford Loan, Federal Direct PLUS Loan, or Federal
16 Direct Unsubsidized Stafford Loan, or a Federal Direct
17 Consolidation Loan.”.

18 (b) REGULATIONS.—Not more than 180 days after
19 the date of enactment of this Act, the Secretary of Edu-
20 cation, in consultation with the Secretary of Agriculture,
21 shall promulgate final regulations to carry out the amend-
22 ment made by subsection (a), including regulations relat-
23 ing to the process of tracking and verifying work as an
24 employee or manager of a qualified farm or ranch for pur-

1 poses of section 460A of the Higher Education Act of
2 1965 (as added by this Act).

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