

HR 6674

ExCEL Act of 2012

Congress: 112 (2011–2013, Ended)

Chamber: House

Policy Area: Education

Introduced: Dec 17, 2012

Current Status: Referred to the Committee on Education and the Workforce, and in addition to the Committee on Ways a

Latest Action: Referred to the Committee on Education and the Workforce, 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. (Dec 17, 2012)

Official Text: <https://www.congress.gov/bill/112th-congress/house-bill/6674>

Sponsor

Name: Rep. Petri, Thomas E. [R-WI-6]

Party: Republican • **State:** WI • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred To	Dec 17, 2012
Ways and Means Committee	House	Referred To	Dec 17, 2012

Subjects & Policy Tags

Policy Area:

Education

Related Bills

No related bills are listed.

Earnings Contingent Education Loans Act of 2012 or the ExCEL Act of 2012 - Amends title IV (Student Assistance) of the Higher Education Act of 1965 to make students ineligible to receive Direct Loans (DLs) on or after July 1, 2014.

Makes certain exceptions for student borrowers who have an outstanding balance on their DLs or Federal Family Education Loans (FFELs), as of that date, and later apply for a Direct Unsubsidized, PLUS, or Consolidation Loan.

Establishes an Income Dependent Education Assistance (IDEA) Loan program, effective July 1, 2014, making federal funds available for loans to student borrowers.

Sets the interest rate on IDEA Loans at the bond equivalent rate of ten-year Treasury bills, plus 3%. Caps the total amount of interest that can accrue during a borrower's grace and repayment periods at 50% of the total amount of their IDEA Loan.

Blocks the accrual of interest on IDEA Loans for active duty military personnel.

Allows student borrowers to consolidate FFELs, DLs, and Perkins Loans into IDEA Consolidation Loans that bear interest at an annual rate that equals the weighted average of the interest rates on the loans consolidated.

Directs the Secretary of the Treasury to establish an IDEA Loan Repayment Program that: (1) repays IDEA loans through wage withholding and quarterly estimated tax payments, and (2) provides the Secretary of Education with the tax return information for each borrower that is necessary to determine the borrower's income-based repayment obligation.

Sets the annual repayment obligation for borrowers at an amount equal to 15% of the excess of their taxable income over the sum of: (1) an exemption amount equal to 150% of the federal poverty level for their household; and (2) the lesser \$3,000 or specified income other than wages, salaries, tips and other employee compensation.

Sets the income-based repayment obligation of individuals who are not required to file a tax return at zero.

Directs the Secretary of Education to provide borrowers, through the Internet, with a tool that has an interface that enables them to manage their IDEA Loans.

Allows borrowers to prepay all or part of an IDEA Loan without penalty.

Penalizes borrowers who fail to pay their full repayment amount for a taxable year.

Amends the Social Security Act to give the Secretary of Education access to the information in the National Directory of New Hires to determine when IDEA borrowers in repayment status are hired and to inform them of their obligation to provide their employer with accurate loan information for wage withholding purposes.

Amends the Internal Revenue Code to include IDEA loan withholding information on W-2 forms and to require the Secretary of the Treasury to disclose borrowers' tax return information to the Department of Education for IDEA program purposes.

Actions Timeline

- **Dec 17, 2012:** Introduced in House
- **Dec 17, 2012:** Referred to the Committee on Education and the Workforce, 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.