

S 2456

Dynamic Repayment Act of 2016

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Education

Introduced: Jan 20, 2016

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Jan 20, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/2456>

Sponsor

Name: Sen. Warner, Mark R. [D-VA]

Party: Democratic • State: VA • Chamber: Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Rubio, Marco [R-FL]	R · FL		Jan 20, 2016

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Jan 20, 2016

Subjects & Policy Tags

Policy Area:

Education

Related Bills

Bill	Relationship	Last Action
114 HR 3752	Related bill	Mar 23, 2016: Referred to the Subcommittee on Higher Education and Workforce Training.

Dynamic Repayment Act of 2016

This bill amends the Higher Education Act of 1965 to replace several existing federal student loan programs with a single repayment plan that caps annual debt repayments based on income and forgives remaining balances after 20 or 30 years of payments.

The bill terminates the authority of the Department of Education (ED) to make federal Direct Stafford Loans, Direct Unsubsidized Stafford Loans, and Direct PLUS loans, subject to exceptions for existing student borrowers, PLUS loans made to parents of undergraduates, and Direct Consolidation Loans.

To replace the programs, the bill establishes the Income Dependent Education Assistance (IDEA) Loan Program and the IDEA Loan Repayment Program, which:

- limit annual repayments based on the borrower's income;
- forgive remaining balances after either 20 or 30 years of payments, depending on the amount of the loan; and
- prohibit the accrual of interest on loans for active duty service members.

The bill amends the Social Security Act (SSAct) to require ED and the Department of Health and Human Services to exchange information necessary to use the National Directory of New Hires to assist in the collection of student loans.

The bill amends the Internal Revenue Code to: (1) require the Department of the Treasury to disclose to ED tax return information necessary to carry out the IDEA Loan Repayment Program, and (2) to exclude loan forgiveness under the program from gross income.

Actions Timeline

- **Jan 20, 2016:** Introduced in Senate
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