

## S 2596

LOAN Act of 2021

**Congress:** 117 (2021–2023, Ended)

**Chamber:** Senate

**Policy Area:** Education

**Introduced:** Aug 4, 2021

**Current Status:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions.

**Latest Action:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (Aug 4, 2021)

**Official Text:** <https://www.congress.gov/bill/117th-congress/senate-bill/2596>

### Sponsor

**Name:** Sen. Rubio, Marco [R-FL]

**Party:** Republican • **State:** FL • **Chamber:** Senate

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

Committee	Chamber	Activity	Date
Health, Education, Labor, and Pensions Committee	Senate	Referred To	Aug 4, 2021

### Subjects & Policy Tags

**Policy Area:**

Education

### Related Bills

Bill	Relationship	Last Action
117 HR 8472	Related bill	<b>Jul 21, 2022:</b> 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.

## **Leveraging Opportunities for Americans Now Act of 2021 or the LOAN Act of 2021**

This bill revises interest rates and repayment plans for federal student loans.

Specifically, the bill directs the Department of Education (ED) to set the interest rate on federal student loans made on or after July 1, 2022, at 0% and replace the interest with a one-time financing fee.

Further, the bill permits ED to credit or refund borrowers who pay the balance of their loan earlier than required by their repayment plan with the amount of the financing fee.

In addition, the bill establishes an income-dependent education assistance repayment plan as the default repayment plan for federal student loans. A borrower may select either this new plan or a 10-year fixed repayment plan.

ED must calculate annual repayment amounts and provide annual statements to borrowers.

The Department of the Treasury must transmit tax information to ED as necessary to determine a borrower's repayment obligations and financing fee adjustments.

### **Actions Timeline**

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- **Aug 4, 2021:** Introduced in Senate
- **Aug 4, 2021:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions.