

114TH CONGRESS  
1ST SESSION

# S. 895

To allow members of the Armed Forces to defer principal on Federal student loans for a certain period in connection with receipt of orders for mobilization for war or national emergency, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 27 (legislative day, MARCH 26), 2015

Mr. TESTER introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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## A BILL

To allow members of the Armed Forces to defer principal on Federal student loans for a certain period in connection with receipt of orders for mobilization for war or national emergency, 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 and  
5       Veteran Protection Act of 2015”.

1 **SEC. 2. DEFERRAL OF STUDENTS LOANS FOR CERTAIN PE-**  
 2 **RIOD IN CONNECTION WITH RECEIPT OF OR-**  
 3 **DERS FOR MOBILIZATION FOR WAR OR NA-**  
 4 **TIONAL EMERGENCY.**

5 (a) FEDERAL FAMILY EDUCATION LOANS.—Section  
 6 428(b)(1)(M) of the Higher Education Act of 1965 (20  
 7 U.S.C. 1078(b)(1)(M)) is amended—

8 (1) in the matter preceding clause (i), by strik-  
 9 ing “, during any period”;

10 (2) in clause (i), by striking “during which”  
 11 and inserting “during any period during which”;

12 (3) in clause (ii), by striking “during which”  
 13 and inserting “during any period during which”;

14 (4) in clause (iii)—

15 (A) by striking “during which” and insert-  
 16 ing “during any period during which”; and

17 (B) in the matter following subclause (II),  
 18 by striking “or” after the semicolon;

19 (5) by redesignating clause (iv) as clause (vi);

20 (6) by inserting after clause (iii) the following:

21 “(iv) in the case of any borrower who  
 22 has received a call or order to duty de-  
 23 scribed in subclause (I) or (II) of clause  
 24 (iii), during the shorter of—

25 “(I) the period beginning on the  
 26 date such call or order to duty is re-

1           ceived by the borrower and ending on  
2           the first day of the service described  
3           in subclause (I) or (II) of clause (iii);  
4           and

5                   “(II) the 180-day period pre-  
6                   ceding the first day of such service;

7                   “(v) notwithstanding clause (iv)—

8                           “(I) in the case of any borrower  
9                           described in such clause whose call or  
10                          order to duty is cancelled before the  
11                          first day of the service described in  
12                          subclause (I) or (II) of clause (iii) be-  
13                          cause of a personal injury in connec-  
14                          tion with training to prepare for such  
15                          service, during the period described in  
16                          clause (iv) and during an additional  
17                          period equal to the duration of such  
18                          service, as specified by or otherwise  
19                          determined in the original call or  
20                          order to duty; and

21                           “(II) in the case of any borrower  
22                           whose call or order to duty is can-  
23                           celled before the first day of such  
24                           service for a reason other than an in-  
25                           jury described in subclause (I), during

1 the period beginning on the date the  
2 call or order to duty is received by the  
3 borrower and ending on the date that  
4 is 14 days after such call or order to  
5 duty is cancelled; and”;

6 (7) in clause (vi) (as redesignated by paragraph  
7 (5)), by striking “not in excess” and inserting “dur-  
8 ing any period not in excess”.

9 (b) DIRECT LOANS.—Section 455(f)(2) of the Higher  
10 Education Act of 1965 (20 U.S.C. 1087e(f)(2)) is amend-  
11 ed—

12 (1) in the matter preceding subparagraph (A),  
13 by striking “during any period”;

14 (2) in subparagraph (A), by striking “during  
15 which” and inserting “during any period during  
16 which”;

17 (3) in subparagraph (B), by striking “not in ex-  
18 cess” and inserting “during any period not in ex-  
19 cess”;

20 (4) in subparagraph (C)—

21 (A) by striking “during which” and insert-  
22 ing “during any period during which”; and

23 (B) in the matter following clause (ii), by  
24 striking “or” after the semicolon;

1           (5) by redesignating subparagraph (D) as sub-  
2           paragraph (F);

3           (6) by inserting after subparagraph (C) the fol-  
4           lowing:

5                   “(D) in the case of any borrower who has  
6           received a call or order to duty described in  
7           clause (i) or (ii) of subparagraph (C), during  
8           the shorter of—

9                           “(i) the period beginning on the date  
10           such call or order to duty is received by  
11           the borrower and ending on the first day  
12           of the service described in clause (i) or (ii)  
13           of subparagraph (C); and

14                           “(ii) the 180-day period preceding the  
15           first day of such service;

16                   “(E) notwithstanding subparagraph (D)—

17                           “(i) in the case of any borrower de-  
18           scribed in such subparagraph whose call or  
19           order to duty is cancelled before the first  
20           day of the service described in clause (i) or  
21           (ii) of subparagraph (C) because of a per-  
22           sonal injury in connection with training to  
23           prepare for such service, during the period  
24           described in subparagraph (D) and during  
25           an additional period equal to the duration

1 of such service, as specified by or otherwise  
2 determined in the original call or order to  
3 duty; and

4 “(ii) in the case of any borrower  
5 whose call or order to duty is cancelled be-  
6 fore the first day of such service for a rea-  
7 son other than an injury described in  
8 clause (i), during the period beginning on  
9 the date the call or order to duty is re-  
10 ceived by the borrower and ending on the  
11 date that is 14 days after such call or  
12 order to duty is cancelled; and”;

13 (7) in subparagraph (F) (as redesignated by  
14 paragraph (5)), by striking “not in excess” and in-  
15 serting “during any period not in excess”.

16 (c) PERKINS LOANS.—Section 464(c)(2)(A) of the  
17 Higher Education Act of 1965 (20 U.S.C.  
18 1087dd(c)(2)(A)) is amended—

19 (1) in the matter preceding clause (i), by strik-  
20 ing “during any period”;

21 (2) in clause (i), by striking “during which”  
22 and inserting “during any period during which”;

23 (3) in clause (ii), by striking “not in excess”  
24 and inserting “during any period not in excess”;

1           (4) in clause (iii), by striking “during which”  
2           and inserting “during any period during which”;

3           (5) by redesignating clauses (iv) and (v) as  
4           clauses (vi) and (vii), respectively;

5           (6) by inserting after clause (iii) the following:

6           “ (iv) in the case of any borrower who has  
7           received a call or order to duty described in  
8           subclause (I) or (II) of clause (iii), during the  
9           shorter of—

10                   “(I) the period beginning on the date  
11                   such call or order to duty is received by  
12                   the borrower and ending on the first day  
13                   of the service described in subclause (I) or  
14                   (II) of clause (iii); and

15                   “(II) the 180-day period preceding  
16                   the first day of such service;

17           “(v) notwithstanding clause (iv)—

18                   “(I) in the case of any borrower de-  
19                   scribed in such clause whose call or order  
20                   to duty is cancelled before the first day of  
21                   the service described in subclause (I) or  
22                   (II) of clause (iii) because of a personal in-  
23                   jury in connection with training to prepare  
24                   for such service, during the period de-  
25                   scribed in clause (iv) and during an addi-

1 tional period equal to the duration of such  
2 service, as specified by or otherwise deter-  
3 mined in the original call or order to duty;  
4 and

5 “(II) in the case of any borrower  
6 whose call or order to duty is cancelled be-  
7 fore the first day of such service for a rea-  
8 son other than an injury described in sub-  
9 clause (I), during the period beginning on  
10 the date the call or order to duty is re-  
11 ceived by the borrower and ending on the  
12 date that is 14 days after such call or  
13 order to duty is cancelled;”;

14 (7) in clause (vi) (as redesignated by paragraph  
15 (5)), by striking “not in excess” and inserting “dur-  
16 ing any period not in excess”; and

17 (8) in clause (vii) (as redesignated by para-  
18 graph (5)), by striking “during which” and inserting  
19 “during any period during which”.

20 (d) RULE OF CONSTRUCTION.—Nothing in the  
21 amendments made by this section shall be construed to  
22 authorize any refunding of any repayment of a loan.

23 (e) APPLICABILITY.—The amendments made by this  
24 section shall apply with respect to all loans made, insured,



1 or guaranteed under title IV of the Higher Education Act  
2 of 1965 (20 U.S.C. 1070 et seq.).

3 (f) CONFORMING AMENDMENTS.—Title IV of the  
4 Higher Education Act of 1965 (20 U.S.C. 1070 et seq.)  
5 is further amended—

6 (1) in section 428B(d)(1)(A)(ii) (20 U.S.C.  
7 1078–2(d)(1)(A)(ii)), by striking  
8 “428(b)(1)(M)(i)(I)” and inserting “or clause (i)(I),  
9 (iv), or (v) of section 428(b)(1)(M)”; and

10 (2) in section 493D(a) (20 U.S.C. 1098f(a)), by  
11 striking “section 428(b)(1)(M)(iii), 455(f)(2)(C), or  
12 464(c)(2)(A)(iii)” and inserting “clause (iii) or (iv)  
13 of section 428(b)(1)(M), subparagraph (C) or (D) of  
14 section 455(f)(2), or clause (iii) or (iv) of section  
15 464(c)(2)(A)”.

16 **SEC. 3. MODIFICATION OF BASIS FOR ANNUAL ADJUST-**  
17 **MENTS IN AMOUNTS OF EDUCATIONAL AS-**  
18 **SISTANCE FOR MEMBERS OF THE SELECTED**  
19 **RESERVE.**

20 (a) IN GENERAL.—Section 16131(b)(2) of title 10,  
21 United States Code, is amended by striking “equal to”  
22 and all that follows and inserting the following: “not less  
23 than the percentage by which—

24 “(A) the average cost of undergraduate tuition  
25 in the United States, as determined by the National

1 Center for Education Statistics, for the last aca-  
2 demic year preceding the beginning of the fiscal year  
3 for which the increase is made, exceeds

4 “(B) the average cost of undergraduate tuition  
5 in the United States, as so determined, for the aca-  
6 demic year preceding the academic year described in  
7 subparagraph (A).”.

8 (b) EFFECTIVE DATE.—The amendment made by  
9 subsection (a) shall take effect on October 1, 2015, and  
10 shall apply to adjustments in amounts of educational as-  
11 sistance for members of the Selected Reserve that are  
12 made for fiscal years beginning on or after that date.

13 **SEC. 4. CREDIT PROTECTIONS FOR SERVICEMEMBERS.**

14 (a) ACTIVE DUTY FREEZE ALERTS.—Section 605A  
15 of the Fair Credit Reporting Act (15 U.S.C. 1681e–1) is  
16 amended—

17 (1) in the heading for such section, by striking  
18 “**AND ACTIVE DUTY ALERTS**” and inserting “,  
19 **ACTIVE DUTY ALERTS, AND ACTIVE DUTY**  
20 **FREEZE ALERTS**”;

21 (2) by redesignating subsections (d) through (h)  
22 as subsections (e) through (i), respectively;

23 (3) by inserting after subsection (c) the fol-  
24 lowing:

1       “(d) ACTIVE DUTY FREEZE ALERTS.—Upon the di-  
2 rect request of an active duty military consumer, or an  
3 individual acting on behalf of or as a personal representa-  
4 tive of an active duty military consumer, a consumer re-  
5 porting agency described in section 603(p) that maintains  
6 a file on the active duty military consumer and has re-  
7 ceived appropriate proof of the identity of the requester  
8 shall—

9           “(1) include an active duty freeze alert in the  
10 file of that active duty military consumer, and also  
11 provide that alert along with any credit score gen-  
12 erated in using that file, during a period of not less  
13 than 12 months, or such longer period as the Bu-  
14 reau shall determine, by regulation, beginning on the  
15 date of the request, unless the active duty military  
16 consumer or such representative requests that such  
17 freeze alert be removed before the end of such pe-  
18 riod, and the agency has received appropriate proof  
19 of the identity of the requester for such purpose;

20           “(2) during the 2-year period beginning on the  
21 date of such request, exclude the active duty military  
22 consumer from any list of consumers prepared by  
23 the consumer reporting agency and provided to any  
24 third party to offer credit or insurance to the con-  
25 sumer as part of a transaction that was not initiated

1 by the consumer, unless the consumer requests that  
2 such exclusion be rescinded before the end of such  
3 period; and

4 “(3) refer the information regarding the active  
5 duty freeze alert to each of the other consumer re-  
6 porting agencies described in section 603(p), in ac-  
7 cordance with procedures developed under section  
8 621(f).”;

9 (4) in subsection (e), as so redesignated—

10 (A) by striking “extended, and active duty  
11 alerts” and inserting “extended, active duty,  
12 and active duty freeze alerts”; and

13 (B) by striking “extended, or active duty  
14 alerts” and inserting “extended, active duty, or  
15 active duty freeze alerts”;

16 (5) in subsection (f), as so redesignated—

17 (A) in the matter preceding paragraph (1),  
18 by striking “or active duty alert” and inserting  
19 “active duty alert, or active duty freeze alert”;

20 (B) in paragraph (2), by striking “; and”  
21 and inserting a semicolon;

22 (C) in paragraph (3), by striking the pe-  
23 riod and inserting “; and”; and

24 (D) by adding at the end the following:

1           “(4) paragraphs (1) and (2) of subsection (d),  
2           in the case of a referral under subsection (d)(3).”;

3           (6) in subsection (g), as so redesignated, by  
4           striking “or active duty alert” and inserting “active  
5           duty alert, or active duty freeze alert”; and

6           (7) in subsection (i), as so redesignated, by  
7           adding at the end the following:

8           “(3) REQUIREMENTS FOR ACTIVE DUTY  
9           FREEZE ALERTS.—

10           “(A) NOTIFICATION.—Each active duty  
11           freeze alert under this section shall include in-  
12           formation that notifies all prospective users of  
13           a consumer report on the consumer to which  
14           the freeze alert relates that the consumer does  
15           not authorize the establishment of any new  
16           credit plan or extension of credit, including any  
17           credit under an open-end credit plan (as defined  
18           in section 103(i)), in the name of the consumer,  
19           or issuance of an additional card on an existing  
20           credit account requested by a consumer, or any  
21           increase in credit limit on an existing credit ac-  
22           count requested by a consumer.

23           “(B) PROHIBITION ON USERS.—No pro-  
24           spective user of a consumer report that includes  
25           an active duty freeze alert in accordance with

1           this section may establish a new credit plan or  
2           extension of credit, including any credit under  
3           an open-end credit plan (as defined in section  
4           103(i)), in the name of the consumer, or issue  
5           an additional card on an existing credit account  
6           requested by a consumer, or grant any increase  
7           in credit limit on an existing credit account re-  
8           quested by a consumer.”.

9           (b) RULEMAKING.—The Bureau of Consumer Finan-  
10          cial Protection shall prescribe regulations to define what  
11          constitutes appropriate proof of identity for purposes of  
12          section 605A(d) of the Fair Credit Reporting Act, as  
13          amended by this Act.

14          (c) TECHNICAL AMENDMENT.—Section 603(q)(2) of  
15          the Fair Credit Reporting Act (15 U.S.C. 1681a(q)(2))  
16          is amended—

17                 (1) in the heading for such paragraph, by strik-  
18                 ing “ACTIVE DUTY ALERT” and inserting “ACTIVE  
19                 DUTY ALERT; ACTIVE DUTY FREEZE ALERT”; and

20                 (2) by inserting “and ‘active duty freeze alert’ ”  
21                 before “mean”.

1 **SEC. 5. REPORT ON EFFECT ON PRIVACY OF VETERANS BY**  
2 **USE OF SOCIAL SECURITY NUMBERS TO**  
3 **UNIQUELY IDENTIFY VETERANS.**

4 (a) IN GENERAL.—Not later than 120 days after the  
5 date of the enactment of this Act, the Secretary of Vet-  
6 erans Affairs shall submit to the Committee on Veterans’  
7 Affairs of the Senate and the Committee on Veterans’ Af-  
8 fairs of the House of Representatives a report on the effect  
9 on the privacy of veterans of the use of social security  
10 numbers to uniquely identify veterans.

11 (b) CONTENTS.—The report required by subsection  
12 (a) shall include the following:

13 (1) A description of such actions as the Sec-  
14 retary may have taken to transition the Department  
15 of Veterans Affairs from the use of social security  
16 numbers to uniquely identify veterans to the use of  
17 alternative and safer unique identifiers.

18 (2) A description of such actions as the Sec-  
19 retary may have taken to integrate the use by the  
20 Department of Veterans Affairs of such alternative  
21 and safer unique identifiers with the usage of unique  
22 identifiers by the Department of Defense.

23 (3) In a case in which the Secretary has not  
24 taken any actions described in paragraph (1) or (2),  
25 an explanation as to why such actions have not been

- 1 taken and a description of the actions the Secretary
- 2 will take to protect the privacy of veterans.

○