

LOAN FORGIVENESS

Updated December 7, 2005

The Prosecutors and Defenders Incentive Act of 2005

| Side-by-Side Comparison | |
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| H.R. 198 | S. 2039 |
| Representative Scott (D-GA) introduced HR 198, the Prosecutors and Defenders Incentive Act, on January 4, 2005 . | Senator Durbin (D-IL) introduced S 2039, the Prosecutors and Defenders Incentive Act, on November 17, 2005 . |
| HR 198 was referred to the Committee on Education and the Workforce . | S 2039 was referred to the Committee on the Judiciary . |
| HR 198 amends the Higher Education Act of 1965 (HEA) to establish a program of student loan forgiveness for borrowers who agree to remain employed, for at least three years, as either 1) state or local criminal prosecutors; or, 2) state, local or Federal public defenders. | S 2039 amends Title I of the Omnibus Crime Control and Safe Streets Act of 1968 to establish a program of student loan forgiveness for borrowers who agree to remain employed, for at least three years, as either 1) state or local criminal prosecutors; or, 2) state, local or Federal public defenders. |
| Loan forgiveness program is created within Department of Education to be administered by the Secretary of Education . | Loan forgiveness program is created within Department of Justice to be administered by the Attorney General . |
| After the initial three-year period, borrowers may enter a contract for another period of service, which may be less than three years. | After the initial three-year period, borrowers may enter a contract for another period of service, which may be less than three years. |
| Loans are to be distributed on a first-come basis, with priority given to borrowers who have received funds from the previous year, and who have completed less than three years of the first required period of service. | Loans are to be distributed on a first-come basis, with priority given to borrowers who have received funds from the previous year, and who have completed less than three years of the first required period of service. |
| Adds public defenders among those eligible under the Perkins program for cancellation of student loans (prosecutors are already eligible for this). Includes eligibility for borrowers who have previously consolidated Stafford loans. | Adds public defenders among those eligible under the Perkins program for cancellation of student loans (prosecutors are already eligible for this). Includes eligibility for borrowers who have previously consolidated Stafford loans. |
| The total funds any one borrow can receive is capped at \$6,000 per calendar year, and at \$40,000 total. | The total funds any one borrow can receive is capped at \$10,000 per calendar year, and at \$60,000 total. |
| Subject to appropriations, the bill calls for funding in the amount of \$20,000,000 . | Subject to appropriations, the bill calls for funding in the amount of \$25,000,000 . |