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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To amend the Higher Education Act of 1965 to allow borrowers of Parent PLUS loans or loans under section 428B made on behalf of a dependent student to repay such loans pursuant to an income-contingent repayment plan or income-based repayment plan, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. WATERS introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Higher Education Act of 1965 to allow borrowers of Parent PLUS loans or loans under section 428B made on behalf of a dependent student to repay such loans pursuant to an income-contingent repayment plan or income-based repayment plan, 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 “Affordable PLUS Re-
5 payment Options for Parents Act of 2025”.

1 **SEC. 2. INCOME-CONTINGENT REPAYMENT PLAN.**

2 Section 455 of the Higher Education Act of 1965 (20
3 U.S.C. 1087e) is amended—

4 (1) in subsection (d)(1)(D), by striking “, ex-
5 cept that the plan described in this subparagraph
6 shall not be available to the borrower of a Federal
7 Direct PLUS loan made on behalf of a dependent
8 student”; and

9 (2) in subsection (e)(1), by inserting at the end
10 the following: “An income contingent repayment
11 plan under this subsection shall be available to a
12 borrower of a Federal Direct PLUS loan made on
13 behalf of a dependent student or a Federal Direct
14 Consolidation Loan the proceeds of which were used
15 to discharge the liability on such a Federal Direct
16 PLUS loan.”.

17 **SEC. 3. INCOME-BASED REPAYMENT PLAN.**

18 (a) CLARIFICATION OF IBR.—Section 455(d)(1)(E)
19 of such Act (20 U.S.C. 1087e(d)(1)(E)) is amended by
20 striking “, except that the plan described in this subpara-
21 graph shall not be available to the borrower of a Federal
22 Direct PLUS Loan made on behalf of a dependent student
23 or a Federal Direct Consolidation Loan, if the proceeds
24 of such loan were used to discharge the liability on such
25 Federal Direct PLUS Loan or a loan under section 428B
26 made on behalf of a dependent student”.

1 (b) IBR.—Section 493C of the Higher Education Act
2 of 1965 (20 U.S.C. 1098e) is amended—

3 (1) by amending subsection (a) to read as fol-
4 lows:

5 “(a) DEFINITION.—In this section, the term ‘partial
6 financial hardship’, when used with respect to a borrower,
7 means that for such borrower—

8 “(1) the annual amount due on the total
9 amount of loans made, insured, or guaranteed under
10 part B or D to a borrower as calculated under the
11 standard repayment plan under section
12 428(b)(9)(A)(i) or 455(d)(1)(A), based on a 10-year
13 repayment period; exceeds

14 “(2) 15 percent of the result obtained by calcu-
15 lating, on at least an annual basis, the amount by
16 which—

17 “(A) the borrower’s, and the borrower’s
18 spouse’s (if applicable), adjusted gross income;
19 exceeds

20 “(B) 150 percent of the poverty line appli-
21 cable to the borrower’s family size as deter-
22 mined under section 673(2) of the Community
23 Services Block Grant Act (42 U.S.C.
24 9902(2)).”;

25 (2) in subsection (b)—

1 (A) in paragraph (1), by striking “(other
2 than an excepted PLUS loan or excepted con-
3 solidation loan)”;

4 (B) in paragraph (6)(A), by striking
5 “(other than an excepted PLUS loan or ex-
6 cepted consolidation loan)”;

7 (C) in paragraph (7), by striking “(other
8 than a loan under section 428B or a Federal
9 Direct PLUS Loan)”;

10 (3) in subsection (c)—

11 (A) in paragraph (1), by striking “(other
12 than an excepted PLUS loan or excepted con-
13 solidation loan),”;

14 (B) in paragraph (2)(B), by striking
15 “(other than an excepted PLUS loan or ex-
16 cepted consolidation loan)”.

17 **SEC. 4. EFFECTIVE DATE AND APPLICATION.**

18 The amendments made by this Act shall take effect
19 on the date of enactment of this Act, and shall apply with
20 respect to each borrower who, on or after such date—

21 (1) has an outstanding balance on a Federal
22 Direct PLUS Loan (or a loan under section 428B)
23 made on behalf of a dependent student or a Federal
24 Direct Consolidation Loan the proceeds of which
25 were used to discharge the liability on such a Fed-

1 eral Direct PLUS loan (or on such a loan under sec-
2 tion 428B); and

3 (2) is repaying or will repay such loan pursuant
4 to an income-contingent repayment plan under sec-
5 tion 455(e) of the Higher Education Act of 1965
6 (20 U.S.C. 1087e(e)) or an income-based repayment
7 plan under section 493C of such Act (20 U.S.C.
8 1098e).