

**CHAPTER 109—EDUCATIONAL LOAN
REPAYMENT PROGRAMS**

Sec.	
2171.	Education loan repayment program: enlisted members on active duty in specified military specialties.
[2172.	Renumbered.]
2173.	Education loan repayment program: commissioned officers in specified health professions.
2174.	Interest payment program: members on active duty.

AMENDMENTS

2002—Pub. L. 107-314, div. A, title VI, § 651(a)(2), Dec. 2, 2002, 116 Stat. 2579, added item 2174.

1997—Pub. L. 105-85, div. A, title VI, § 651(b), Nov. 18, 1997, 111 Stat. 1803, added item 2173.

1994—Pub. L. 103-337, div. A, title XVI, § 1671(b)(13), Oct. 5, 1994, 108 Stat. 3014, added item 2171 and struck out former items 2171 “General educational loan repayment program” and 2172 “Education loans for certain health professionals who serve in the Selected Reserve”.

§ 2171. Education loan repayment program: enlisted members on active duty in specified military specialties

(a)(1) Subject to the provisions of this section, the Secretary of Defense may repay—

(A) any loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.);

(B) any loan made under part D of such title (the William D. Ford Federal Direct Loan Program, 20 U.S.C. 1087a et seq.);

(C) any loan made under part E of such title (20 U.S.C. 1087aa et seq.); or

(D) any loan incurred for educational purposes made by a lender that is—

(i) an agency or instrumentality of a State;

(ii) a financial or credit institution (including an insurance company) that is subject to examination and supervision by an agency of the United States or any State;

(iii) a pension fund approved by the Secretary for purposes of this section; or

(iv) a non-profit private entity designated by a State, regulated by such State, and approved by the Secretary for purposes of this section.

Repayment of any such loan shall be made on the basis of each complete year of service performed by the borrower.

(2) The Secretary may repay loans described in paragraph (1) in the case of any person for service performed on active duty as a member in an officer program or military specialty specified by the Secretary.

(b) The portion or amount of a loan that may be repaid under subsection (a) is 33½ percent or \$1,500, whichever is greater, for each year of service.

(c) If a portion of a loan is repaid under this section for any year, interest on the remainder of such loan shall accrue and be paid in the same manner as is otherwise required.

(d) Nothing in this section shall be construed to authorize refunding any repayment of a loan.

(e) A person who transfers from service making the person eligible for repayment of loans

under this section (as described in subsection (a)(2)) to service making the person eligible for repayment of loans under section 16301 of this title (as described in subsection (a)(2) of that section) during a year shall be eligible to have repaid a portion of such loan determined by giving appropriate fractional credit for each portion of the year so served, in accordance with regulations of the Secretary concerned.

(f) The Secretary of Defense shall, by regulation, prescribe a schedule for the allocation of funds made available to carry out the provisions of this section and section 16301 of this title during any year for which funds are not sufficient to pay the sum of the amounts eligible for repayment under subsection (a) and section 16301(a) of this title.

(g) Except a person described in subsection (e) who transfers to service making the person eligible for repayment of loans under section 16301 of this title, a member of the armed forces who fails to complete the period of service required to qualify for loan repayment under this section shall be subject to the repayment provisions of section 303a(e) or 373 of title 37.

(h) The Secretary of Defense may prescribe, by regulations, procedures for implementing this section, including standards for qualified loans and authorized payees and other terms and conditions for making loan repayments. Such regulations may include exceptions that would allow for the payment as a lump sum of any loan repayment due to a member under a written agreement that existed at the time of a member's death or disability.

(Added Pub. L. 99-145, title VI, § 671(a)(1), Nov. 8, 1985, 99 Stat. 661; amended Pub. L. 103-337, div. A, title XVI, § 1663(e), Oct. 5, 1994, 108 Stat. 3009; Pub. L. 104-106, div. A, title X, § 1079(a), Feb. 10, 1996, 110 Stat. 451; Pub. L. 109-163, div. A, title V, § 537, Jan. 6, 2006, 119 Stat. 3249; Pub. L. 111-383, div. A, title V, § 552(a), Jan. 7, 2011, 124 Stat. 4220; Pub. L. 115-91, div. A, title VI, § 618(a)(1)(H), Dec. 12, 2017, 131 Stat. 1426.)

REFERENCES IN TEXT

The Higher Education Act of 1965, referred to in subsec. (a)(1), is Pub. L. 89-329, Nov. 8, 1965, 79 Stat. 1219. Parts B, D, and E of title IV of the Act are classified to parts B (§1071 et seq.), D (§1087a et seq.), and E (§1087aa et seq.), respectively, of subchapter IV of chapter 28 of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Tables.

AMENDMENTS

2017—Subsec. (g). Pub. L. 115-91 inserted “or 373” before “of title 37”.

2011—Subsecs. (g), (h). Pub. L. 111-383 added subsecs. (g) and (h).

2006—Subsec. (a)(1)(D). Pub. L. 109-163, § 537(a), added subpar. (D).

Subsec. (a)(2). Pub. L. 109-163, § 537(b), substituted “a member in an officer program or military specialty” for “an enlisted member in a military specialty”.

1996—Subsec. (a)(1). Pub. L. 104-106 struck out “or” at end of subpar. (A), added subpar. (B), and redesignated former subpar. (B) as (C).

1994—Pub. L. 103-337, § 1663(e)(6), substituted “Education loan repayment program: enlisted members on active duty in specified military specialties” for “General educational loan repayment program” as section catchline.