

119TH CONGRESS
1ST SESSION

H. R. 5816

To prohibit penalties, interest accrual, negative credit implications, or other adverse actions for qualified student loans for Federal employees during a lapse in Federal funding.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 24, 2025

Ms. CROCKETT introduced the following bill; which was referred to the
Committee on Education and Workforce

A BILL

To prohibit penalties, interest accrual, negative credit implications, or other adverse actions for qualified student loans for Federal employees during a lapse in Federal funding.

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 “Halting Education
5 Loan Payments during Federal Employment Disruptions
6 Act” or the “HELP FEDs Act”.

7 **SEC. 2. DEFINITIONS.**

8 In this Act:

1 (1) FEDERAL EMPLOYEE.—The term “Federal
2 employee” means—

3 (A) an employee as defined in section 2105
4 of title 5, United States Code;

5 (B) an employee as defined in section 2107
6 of title 5, United States Code; and

7 (C) a judicial employee as defined in sec-
8 tion 13101(9) of title 5, United States Code.

9 (2) QUALIFIED EDUCATION LOAN.—The term
10 “qualified education loan” means any loan made, in-
11 sured, or guaranteed under the Higher Education
12 Act of 1965 (20 U.S.C. 1071–1087ii), including
13 loans held by the Department of Education or con-
14 tracted loan servicers.

15 (3) INVOLUNTARY DISRUPTION OF PAY.—The
16 term “involuntary disruption of pay” means a situa-
17 tion where a Federal employee does not receive their
18 scheduled wages due to a lapse in funding resulting
19 in the Federal Government to cease operations as
20 identified under section 1341 of title 31, United
21 States Code.

1 **SEC. 3. PROTECTION FROM PENALTIES AND ADVERSE**
2 **CREDIT ACTIONS DURING INVOLUNTARY DIS-**
3 **RUPTION OF PAY.**

4 (a) **WAIVER OF PENALTIES AND LATE FEES.**—No
5 Federal employee shall be assessed any late fee, penalty,
6 or other adverse action on any qualified education loan
7 for any payment missed due during a period of involuntary
8 disruption of pay.

9 (b) **WAIVER ON INTEREST ACCRUAL.**—No Federal
10 employee shall incur additional interest on any qualified
11 education loan during a period of involuntary disruption
12 of pay.

13 (c) **NO ADVERSE CREDIT REPORTING.**—The Sec-
14 retary of Education shall coordinate with credit reporting
15 agencies and loan servicers to ensure that no adverse in-
16 formation related to delayed or missed payments of a Fed-
17 eral employee described in subsection (a) is furnished to
18 any consumer reporting agency, as defined in section 603
19 of the Fair Credit Reporting Act (15 U.S.C. 1681a).

20 (d) **RETROACTIVE APPLICATION.**—This section shall
21 apply retroactively to any instance of involuntary disrup-
22 tion of pay occurring on or after October 1, 2025. The
23 Secretary shall coordinate with credit reporting agencies
24 and loan servicers to remove any adverse credit informa-
25 tion that was inappropriately reported.

1 **SEC. 4. IMPLEMENTATION.**

2 (a) IN GENERAL.—The Secretary of Education, in
3 coordination with the Director of the Office of Personnel
4 Management, the Administrative Office of the United
5 States Courts, the Clerk of the House of Representatives,
6 and Secretary of the Senate, shall issue regulations and
7 guidance for the Department, borrowers, loan servicers,
8 and credit agencies necessary to implement this Act within
9 30 days of the date of enactment of this Act.

10 (b) COMPLIANCE AND ENFORCEMENT.—Loan
11 servicers and credit reporting agencies shall cooperate
12 fully with the Secretary of Education in implementing this
13 Act.

14 **SEC. 5. RULE OF CONSTRUCTION.**

15 Nothing in this Act shall be construed to excuse the
16 full repayment of qualified education loans or to eliminate
17 any otherwise existing repayment obligation.

18 **SEC. 6. SEVERABILITY.**

19 If any provision of this Act, or the application of such
20 provision to any person or circumstance, is held to be in-
21 valid, the remainder of this Act shall not be affected.

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