

116TH CONGRESS  
1ST SESSION

# H. R. 4680

To amend the Higher Education Act of 1965 to simplify the financial aid application process, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 15, 2019

Mr. DOGGETT (for himself, Mrs. DAVIS of California, Mrs. BEATTY, Mr. BLUMENAUER, Ms. BROWNLEY of California, Mr. CÁRDENAS, Mr. CARTWRIGHT, Ms. JUDY CHU of California, Ms. CLARKE of New York, Mr. COHEN, Ms. DEAN, Ms. DEGETTE, Ms. DELAURO, Mr. DESAULNIER, Mr. ENGEL, Mr. ESPAILLAT, Mr. FOSTER, Mr. GALLEG0, Mr. GARAMENDI, Ms. GARCIA of Texas, Mr. GREEN of Texas, Mr. GRIJALVA, Ms. HAALAND, Mr. HASTINGS, Mrs. HAYES, Mr. HIGGINS of New York, Mr. HIMES, Ms. JACKSON LEE, Mr. JOHNSON of Georgia, Ms. KAPTUR, Mr. KILMER, Mr. KRISHNAMOORTHl, Mr. LARSON of Connecticut, Ms. LEE of California, Mr. LEVIN of Michigan, Mr. LEWIS, Mr. SEAN PATRICK MALONEY of New York, Mr. MCGOVERN, Mr. MEEKS, Ms. MOORE, Mr. MOULTON, Mr. NADLER, Mrs. NAPOLITANO, Ms. NORTON, Mr. PRICE of North Carolina, Mr. RASKIN, Mr. RUPPERSBERGER, Mr. RYAN, Ms. SÁNCHEZ, Mr. SARBANES, Ms. SCHAKOWSKY, Ms. SEWELL of Alabama, Mr. SOTO, Ms. SPEIER, Mr. SWALWELL of California, Mr. THOMPSON of California, Ms. TITUS, Mr. TONKO, Mr. WELCH, Mr. LUJÁN, Ms. ROYBAL-ALLARD, and Mr. KENNEDY) introduced the following bill; which was referred to the Committee on Education and Labor

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## A BILL

To amend the Higher Education Act of 1965 to simplify the financial aid application process, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Equitable Student Aid  
3 Access Act”.

4 **SEC. 2. ZERO EXPECTED FAMILY CONTRIBUTION.**

5 Section 479 of the Higher Education Act of 1965 (20  
6 U.S.C. 1087ss) is amended to read as follows:

7 **“SEC. 479. ZERO EXPECTED FAMILY CONTRIBUTION.**

8 “(a) IN GENERAL.—The Secretary shall consider an  
9 applicant to have an expected family contribution equal  
10 to zero if—

11 “(1) in the case of a dependent student—

12 “(A)(i) the student’s parents are not re-  
13 quired to file—

14 “(I) a Federal income tax return; or

15 “(II) with respect to Internal Revenue  
16 Service Form 1040, any of the following  
17 forms: Schedule A, Schedule B, Schedule  
18 C, Schedule C–EZ, Schedule D, Schedule  
19 E, Schedule F, Schedule H, Schedule J,  
20 and Schedule SE; and

21 “(ii) the sum of the adjusted gross income  
22 of the parents is less than or equal to \$34,000;  
23 or

24 “(B) the student’s parents, or the student,  
25 received a benefit at some time during the pre-

1           vious 24-month period under a means-tested  
2           Federal benefit program; or

3           “(2) in the case of an independent student  
4           without regard to whether the student has depend-  
5           ents other than a spouse—

6                   “(A)(i) the student (and the student’s  
7                   spouse, if any) certifies—

8                           “(I) that the student (and the stu-  
9                           dent’s spouse, if any)—

10                                   “(aa) is not required to file a  
11                                   Federal income tax return; or

12   “(bb) with respect to Internal  
13   Revenue Service Form 1040, any of  
14   the following forms: Schedule A,  
15   Schedule B, Schedule C, Schedule C-  
16   EZ, Schedule D, Schedule E, Sched-  
17   ule F, Schedule H, Schedule J, and  
18   Schedule SE; and

19   “(ii) the sum of the adjusted gross income  
20   of the student and spouse (if appropriate) is  
21   less than or equal to \$34,000; or

22   “(B) the student received a benefit at some  
23   time during the previous 24-month period  
24   under a means-tested Federal benefit program.

1           “(b) EARNED INCOME CREDIT.—An individual is not  
2 required to qualify or file for the earned income credit in  
3 order to be eligible under this section.

4           “(c) ADJUSTMENTS.—The Secretary shall annually  
5 adjust the income level necessary to qualify an applicant  
6 for the zero expected family contribution. The income level  
7 shall be annually increased by the estimated percentage  
8 change in the Consumer Price Index, as defined in section  
9 478(f), for the most recent calendar year ending prior to  
10 the beginning of an award year, and rounded up to the  
11 nearest \$1,000.

12           “(d) MEANS-TESTED FEDERAL BENEFIT PROGRAM  
13 DEFINED.—For purposes of this paragraph, a ‘means-  
14 tested Federal benefit program’ means a mandatory  
15 spending program of the Federal Government, other than  
16 a program under this title, in which eligibility for the pro-  
17 gram’s benefits, or the amount of such benefits, are deter-  
18 mined on the basis of income or resources of the individual  
19 or family seeking the benefit, and may include such pro-  
20 grams as—

21                   “(1) the supplemental security income program  
22           under title XVI of the Social Security Act (42  
23           U.S.C. 1381 et seq.);

24                   “(2) the supplemental nutrition assistance pro-  
25           gram under the Food and Nutrition Act of 2008 (7

1 U.S.C. 2011 et seq.), a nutrition assistance program  
2 carried out under section 19 of such Act (7 U.S.C.  
3 2028), and a supplemental nutrition assistance pro-  
4 gram carried out under section 1841(c) of title 48  
5 of the United States Code;

6 “(3) the program of block grants for States for  
7 temporary assistance for needy families established  
8 under part A of title IV of the Social Security Act  
9 (42 U.S.C. 601 et seq.);

10 “(4) the special supplemental nutrition program  
11 for women, infants, and children established by sec-  
12 tion 17 of the Child Nutrition Act of 1966 (42  
13 U.S.C. 1786);

14 “(5) the State Medicaid program under title  
15 XIX of the Social Security Act (42 U.S.C. 1396 et  
16 seq.); and

17 “(6) any other program identified by the Sec-  
18 retary.”.

19 **SEC. 3. USING DATA FROM SECOND PRECEDING YEAR.**

20 Section 480(a)(1)(B) of the Higher Education Act of  
21 1965 (20 U.S.C. 1087vv(a)(1)(B)) is amended—

22 (1) by striking “may” in both places it appears  
23 and inserting “shall”; and

1           (2) by striking “sharing of data between” and  
2           inserting “sharing of data, to the extent such data  
3           is available, between”.

4 **SEC. 4. FINANCIAL AID OFFERS.**

5           Section 485 of the Higher Education Act of 1965 (20  
6 U.S.C. 1092) is amended by adding at the end the fol-  
7 lowing:

8           “(n) FINANCIAL AID OFFERS.—

9                 “(1) REQUIREMENTS FOR OFFERS.—

10                     “(A) SECRETARIAL REQUIREMENTS.—Not  
11                     later than 18 months after the date of enact-  
12                     ment of the Equitable Student Aid Access Act,  
13                     the Secretary shall, based on the consumer test-  
14                     ing conducted under subparagraph (E), publish  
15                     requirements for financial aid offers that  
16                     shall—

17                             “(i) include a requirement that finan-  
18                             cial aid offers shall serve as the primary  
19                             source for Federal, State, and institutional  
20                             financial aid information provided by an  
21                             institution of higher education partici-  
22                             pating in any program under this title to  
23                             each prospective student accepted for ad-  
24                             mission and each enrolled student at such  
25                             institution;

1 “(ii) include a requirement that such  
2 offers include a standardized quick ref-  
3 erence box described in subparagraph (D);

4 “(iii) establish standardized terms and  
5 definitions, including for the elements list-  
6 ed in subparagraph (C), that shall be in-  
7 cluded in each such offer;

8 “(iv) establish formatting require-  
9 ments with respect to the organization of  
10 the elements listed in subparagraph (C),  
11 which shall include a requirement that pro-  
12 hibits such offers from displaying loans in  
13 a manner that indicates or implies that  
14 such loans reduce the amount owed to the  
15 institution or reduce the net price; and

16 “(v) specify the simple, plain-lan-  
17 guage, and consumer-friendly information  
18 to be included in each such offer with re-  
19 spect to the financial aid being offered to  
20 a student, which shall include—

21 “(I) an explanation of differences  
22 among each such type of financial aid,  
23 including clear explanations that—

24 “(aa) grants and scholar-  
25 ships do not have to be repaid;

1           “(bb) loans (including loans  
2           made under part D and private  
3           education loans (as defined in  
4           section 140 of the Truth in  
5           Lending Act)) must be repaid  
6           with interest; and

7           “(cc) payments under Fed-  
8           eral-work study programs under  
9           part C are contingent on finding  
10          qualified employment and are  
11          typically disbursed incrementally  
12          in paychecks;

13          “(II) information encouraging  
14          students to consider loans made under  
15          part D before such private education  
16          loans;

17          “(III) information clarifying that  
18          students may—

19                 “(aa) decline to accept a  
20                 loan made under part D; or

21                 “(bb) accept an amount of  
22                 such loan that is less than the  
23                 amount of such loan included in  
24                 the financial aid offer; and



1                   “(IV) in a case in which the in-  
2                   stitution offers a student such a loan  
3                   in an amount that is less than the  
4                   maximum amount for which the stu-  
5                   dent is eligible, an explanation that  
6                   the student is eligible for additional  
7                   loans under part D.

8                   “(B) INSTITUTIONAL REQUIREMENTS.—  
9                   Beginning with the award year that begins not  
10                  less than 1 year after the Secretary publishes  
11                  requirements under subparagraph (A), each in-  
12                  stitution of higher education described in sub-  
13                  paragraph (A)(i) shall provide a financial aid  
14                  offer to each student described in such subpara-  
15                  graph prior to each academic year that—

16                         “(i) shall comply with the require-  
17                         ments published by the Secretary under  
18                         subparagraph (A); and

19                         “(ii) may be supplemented by the in-  
20                         stitution with additional, non-contradictory  
21                         information related to financial aid as long  
22                         as such supplementary information uses  
23                         the standardized terms and definitions de-  
24                         scribed in subparagraph (A)(iii).

1           “(C) ELEMENTS.—A financial aid offer  
2 provided by an institution of higher education  
3 shall include the following elements with respect  
4 to the academic year for which the offer is  
5 being provided:

6           “(i) The cost of attendance, which  
7 shall include separately calculated sub-  
8 totals of—

9           “(I) an itemized list of estimated  
10 direct costs owed to the institution;  
11 and

12           “(II) an itemized list of antici-  
13 pated student expenses not covered  
14 under subclause (I).

15           “(ii) Federal, State, and institutional  
16 financial aid available to the student,  
17 which shall include separately calculated  
18 subtotals of—

19           “(I) grants and scholarships;

20           “(II) loans made under part D  
21 (excluding Federal Direct Parent  
22 PLUS Loans); and

23           “(III) Federal-work study pro-  
24 grams under part C and other on-  
25 campus employment.

1           “(iii) Other options that may be avail-  
2           able to students to cover the cost of at-  
3           tendance (including Federal Direct Parent  
4           PLUS Loans, tuition payment plans, sav-  
5           ings, and earnings from other employ-  
6           ment).

7           “(iv) The net price, which shall be de-  
8           termined by calculating the difference be-  
9           tween—

10                   “(I) the cost of attendance de-  
11                   scribed in clause (i); and

12                   “(II) the grants and scholarships  
13                   described in clause (ii)(I).

14           “(v) Next step instructions, includ-  
15           ing—

16                   “(I) the process and deadlines for  
17                   accepting the financial aid; and

18                   “(II) information about where to  
19                   find additional information on the fi-  
20                   nancial aid offered.

21           “(vi) Any other information deter-  
22           mined necessary by the Secretary based on  
23           the consumer testing conducted under sub-  
24           paragraph (E), which may include the fol-  
25           lowing:

1           “(I) An estimate of the net direct  
2 cost, which shall be determined by cal-  
3 culating the difference between—

4                   “(aa) the direct costs owed  
5 to the institution described in  
6 clause (i)(I); and

7                   “(bb) the grants and schol-  
8 arships described in clause (ii)(I).

9           “(II) Information on average stu-  
10 dent debt, loan repayment and default  
11 rates, loan repayment options, and  
12 graduation rates.

13           “(III) In the case of a prospec-  
14 tive student, the process and deadlines  
15 for enrolling at the institution.

16           “(IV) Information regarding the  
17 enrollment period covered by the aid  
18 offer, and whether the cost and aid  
19 estimates are based on full-time or  
20 part-time enrollment.

21           “(V) Information developed in  
22 consultation with the Internal Rev-  
23 enue Service regarding any education-  
24 related tax benefits for which a stu-  
25 dent may qualify, including American

1 Opportunity and Lifetime Learning  
2 tax credits, deductions, exclusions,  
3 and any other such benefits.

4 “(D) STANDARDIZED QUICK REFERENCE  
5 BOX.—A financial aid offer provided by an in-  
6 stitution of higher education shall include a  
7 standardized quick reference box to enable stu-  
8 dents to quickly and easily compare key infor-  
9 mation on college costs and financial aid—

10 “(i) that shall be included in an iden-  
11 tical fashion for each student receiving a  
12 financial aid offer from the institution on  
13 the first page of such offer;

14 “(ii) the contents and structure of  
15 which shall be developed through consumer  
16 testing conducted under paragraph (E);  
17 and

18 “(iii) that shall include not more than  
19 8 elements, which, at a minimum, shall in-  
20 clude—

21 “(I) the cost of attendance;

22 “(II) grants and scholarships;  
23 and

24 “(III) net price (as calculated  
25 under subparagraph (C)(iv)).

1           “(E) CONSUMER TESTING.—The Secretary  
2 shall—

3           “(i) conduct consumer testing that  
4 shall serve as the basis in determining the  
5 requirements for financial aid offers pub-  
6 lished under subparagraph (A), which shall  
7 include students (including low-income stu-  
8 dents, English learners, first generation  
9 college students, veteran students, grad-  
10 uate students, and undergraduate students  
11 (including prospective students and return-  
12 ing students)), students’ families (includ-  
13 ing low-income families, families of English  
14 learners, and families with first generation  
15 college students), institutions of higher  
16 education (including representatives from  
17 two- and four-year institutions, public and  
18 private institutions, and minority-serving  
19 institutions), secondary school and postsec-  
20 ondary counselors, financial aid adminis-  
21 trators, nonprofit college access organiza-  
22 tions, and nonprofit consumer groups; and  
23           “(ii) not later than 60 days after the  
24 publication of the requirements under sub-  
25 paragraph (A)—

1                   “(I) issue a report on the find-  
2                   ings of the consumer testing under  
3                   this subparagraph; and

4                   “(II) specify ways in which the  
5                   findings are reflected in such require-  
6                   ments.

7                   “(2) DEFINITIONS.—In this subsection—

8                   “(A) the term ‘cost of attendance’ has the  
9                   meaning given the term in section 472;

10                  “(B) the term ‘English learner’ has the  
11                  meaning given the term in section 8101(20) of  
12                  the Elementary and Secondary Education Act  
13                  of 1965 (20 U.S.C. 7801(20)), except that such  
14                  term does not include individuals described in  
15                  subparagraph (B) of such section;

16                  “(C) the term ‘first generation college stu-  
17                  dent’ has the meaning given the term in section  
18                  402A(h);

19                  “(D) the term ‘low-income student’ has the  
20                  meaning given the term in section 419N(b)(7);  
21                  and

22                  “(E) the term ‘minority-serving institution’  
23                  means an institution of higher education de-  
24                  scribed in section 371(a).”.

1 **SEC. 5. EFFECTIVE DATE.**

2       The amendments made by this Act shall apply with  
3 respect to award years (as that term is defined in section  
4 481(a)(1) of the Higher Education Act of 1965 (20 U.S.C.  
5 1088(a)(1))) beginning after the date of the enactment of  
6 this Act.

○