

115TH CONGRESS
1ST SESSION

S. 1135

To amend the Higher Education Act of 1965 to clarify the Federal Pell Grant duration limits of borrowers who attend an institution of higher education that closes or commits fraud or other misconduct, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 16, 2017

Ms. WARREN (for herself, Ms. HIRONO, Mr. BROWN, and Mr. MURPHY) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to clarify the Federal Pell Grant duration limits of borrowers who attend an institution of higher education that closes or commits fraud or other misconduct, 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 “Pell Grant Restoration
5 Act of 2017”.

1 **SEC. 2. FEDERAL PELL GRANT DURATION LIMITS.**

2 Section 401(c)(5) of the Higher Education Act of
3 1965 (20 U.S.C. 1070a(c)(5)) is amended—

4 (1) by striking “(5) The period” and inserting
5 the following: “(5) MAXIMUM PERIOD.—

6 “(A) IN GENERAL.—Except as provided in
7 subparagraph (B), the period”; and

8 (2) by adding at the end the following:

9 “(B) EXCEPTION.—

10 “(i) IN GENERAL.—Any Federal Pell
11 Grant that a student received during a pe-
12 riod described in subclause (I) or (II) of
13 clause (ii) shall not count towards the stu-
14 dent’s duration limits under this para-
15 graph.

16 “(ii) APPLICABLE PERIODS.—Clause
17 (i) shall apply with respect to any Federal
18 Pell Grant awarded to a student to attend
19 an institution—

20 “(I) during a period—

21 “(aa) for which the student
22 received a loan under this title;
23 and

24 “(bb) for which the loan de-
25 scribed in item (aa) is forgiven
26 under—

1 “(AA) section 437(e)(1)
2 or 464(g)(1) due to the clos-
3 ing of the institution;

4 “(BB) section 455(h)
5 due to the student’s success-
6 ful assertion of a defense to
7 repayment of the loan; or

8 “(CC) section
9 432(a)(6), section 685.215
10 of title 34, Code of Federal
11 Regulations (or a successor
12 regulation), or any other
13 loan forgiveness provision or
14 regulation under this Act, as
15 a result of a determination
16 by the Secretary or a court
17 that the institution com-
18 mitted fraud or other mis-
19 conduct; or

20 “(II) during a period for which
21 the student did not receive a loan
22 under this title but for which, if the
23 student had received such a loan, the

1 student would have qualified for loan
2 forgiveness under subclause (I)(bb).”.

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