

115TH CONGRESS
1ST SESSION

H. R. 4336

To amend the institutional refunds provision of the Higher Education Act
of 1965.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 9, 2017

Mr. LEWIS of Minnesota (for himself, Mr. FERGUSON, Mr. GARRETT, and Mr. SMUCKER) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the institutional refunds provision of the Higher
Education Act of 1965.

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 “College Completion
5 and Success Act”.

6 **SEC. 2. INSTITUTIONAL REFUNDS.**

7 Section 484B of the Higher Education Act of 1965
8 (20 U.S.C. 1091b) is amended—

9 (1) in subsection (a)—

10 (A) in paragraph (1)—

1 (i) by striking “If a recipient” and in-
2 serting the following:

3 “(A) CONSEQUENCE OF WITHDRAWAL.—If
4 a recipient”; and

5 (ii) by adding at the end the fol-
6 lowing:

7 “(B) SPECIAL RULE.—For purposes of
8 subparagraph (A), a student—

9 “(i) who is enrolled in a program of-
10 fered in modules is not considered with-
11 drawn if the change in the student’s at-
12 tendance constitutes a change in enroll-
13 ment status within the payment period
14 rather than a discontinuance of attendance
15 within the payment period; and

16 “(ii) is considered withdrawn if the
17 student follows the institution’s official
18 withdrawal procedures or leaves without
19 notifying the institution and has not re-
20 turned before the end of the payment pe-
21 riod.”;

22 (B) in paragraph (3)(B), by striking
23 clauses (i) and (ii) and inserting the following:

24 “(i) 0 percent, if the day the student
25 withdrew occurs when the student has

1 completed (as determined in accordance
2 with subsection (d)) 0 to 24 percent of the
3 payment period or period of enrollment;

4 “(ii) 25 percent, if the day the stu-
5 dent withdrew occurs when the student has
6 completed (as determined in accordance
7 with subsection (d)) 25 to 49 percent of
8 the payment period or period of enroll-
9 ment;

10 “(iii) 50 percent, if the day the stu-
11 dent withdrew occurs when the student has
12 completed (as determined in accordance
13 with subsection (d)) 50 to 74 percent of
14 the payment period or period of enroll-
15 ment; or

16 “(iv) 75 percent, if the day the stu-
17 dent withdrew occurs when the student has
18 completed (as determined in accordance
19 with subsection (d)) 75 to 99 percent of
20 the payment period or period of enroll-
21 ment.”; and

22 (C) in paragraph (4)—

23 (i) in subparagraph (A), by striking
24 “Secretary), the institution of higher edu-
25 cation shall contact the borrower” and in-

serting “Secretary), the institution of higher education shall have discretion to determine whether all or a portion of the late or post-withdrawal disbursement should be made, under a publicized institutional policy. If the institution of higher education determines that a disbursement should be made, the institution shall contact the borrower”; and

(ii) in subparagraph (B) by striking “institution or the student, or both, as may be required under paragraphs (1) and (2) of subsection (b), to the programs under this title in the order specified in” and inserting “institution, as may be required under paragraph (1) of subsection (b), to the programs under this title in accordance with”;

(2) by amending subsection (b) to read as follows:

“(b) RETURN OF TITLE IV PROGRAM FUNDS.—

“(1) RESPONSIBILITY OF THE INSTITUTION.—

The institution shall return not later than 60 days from the determination of withdrawal, in accordance with paragraph (3), the amount of grant and loan

1 assistance awarded under this title that has not been
2 earned by the student, as calculated under sub-
3 section (a)(3)(C).

4 “(2) RESPONSIBILITY OF THE STUDENT.—

5 “(A) IN GENERAL.—The student is not re-
6 sponsible to return assistance that has not been
7 earned; however, the institution may require the
8 student to pay to the institution up to 10 per-
9 cent of the amount owed by the institution in
10 paragraph (1).

11 “(B) RULE OF CONSTRUCTION.—Nothing
12 in this section shall be construed to prevent an
13 institution from enforcing the published institu-
14 tional refund policies of such institution.

15 “(3) ORDER OF RETURN OF TITLE IV FUNDS.—

16 “(A) IN GENERAL.—Excess funds returned
17 by the institution in accordance with paragraph
18 (1) shall be credited to awards under subparts
19 1 and 3 of part A for the payment period or pe-
20 riod of enrollment for which a return of funds
21 is required.

22 “(B) REMAINING EXCESSES.—If excess
23 funds remain after repaying all outstanding
24 grant amounts, the remaining excess shall be
25 credited in the following order:

1 “(i) To outstanding balances on loans
 2 made under this title to the student or on
 3 behalf of the student for the payment pe-
 4 riod or period of enrollment for which a re-
 5 turn of funds is required.

6 “(ii) To other assistance awarded
 7 under this title for which a return of funds
 8 is required.”;

9 (3) by amending subsection (c) to read as fol-
 10 lows:

11 “(c) WITHDRAWAL DATE.—

12 “(1) IN GENERAL.—In this section, the term
 13 ‘day the student withdrew’—

14 “(A) for institutions not required to take
 15 attendance, is the date as determined by the in-
 16 stitution that—

17 “(i) the student began the withdrawal
 18 process prescribed and publicized by the
 19 institution, or a later date if the student
 20 continued attendance despite beginning the
 21 withdrawal process, but did not then com-
 22 plete the payment period; or

23 “(ii) in the case of a student who does
 24 not begin the withdrawal process, the date
 25 that is the mid-point of the payment period

1 for which assistance under this title was
2 disbursed or another date documented by
3 the institution; or

4 “(B) for institutions required to take at-
5 tendance, is determined by the institution from
6 such attendance records.

7 “(2) SPECIAL RULE.—Notwithstanding para-
8 graph (1), if the institution determines that a stu-
9 dent did not begin the withdrawal process, due to ill-
10 ness, accident, grievous personal loss, or other such
11 circumstances beyond the student’s control, the in-
12 stitution may determine the appropriate withdrawal
13 date under its own defined policies.

14 “(3) ATTENDANCE.—An institution is required
15 to take attendance if an institution’s accrediting
16 agency or State licensing agency has a requirement
17 that the institution take attendance for all students
18 in an academic program throughout the entire pay-
19 ment period.”; and

20 (4) by striking subsections (d) and (e).

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