

115TH CONGRESS
2D SESSION

H. R. 5550

To amend the Higher Education Act of 1965 to increase the maximum Federal Pell Grant amount, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 18, 2018

Mr. DEFAZIO introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Higher Education Act of 1965 to increase the maximum Federal Pell Grant amount, 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 section may be cited as the “Achieving Inde-
5 pendence through Degrees Act” or the “AID Act”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—ADJUSTMENTS TO FEDERAL PELL GRANTS

- Sec. 101. Increase in maximum Federal Pell Grant amount.
 Sec. 102. Increase in total semesters of Federal Pell Grant eligibility.
 Sec. 103. Extending Federal Pell Grant eligibility of certain short-term programs.

TITLE II—FINANCIAL AID COUNSELING FOR BORROWERS

- Sec. 201. Annual financial aid counseling.
 Sec. 202. Exit counseling.
 Sec. 203. Online counseling tools.
 Sec. 204. Longitudinal study on the effectiveness of student loan counseling.

TITLE III—REPEAL OF SUSPENSION OF ELIGIBILITY UNDER THE HIGHER EDUCATION ACT OF 1965 FOR GRANTS, LOANS, AND WORK ASSISTANCE FOR DRUG-RELATED OFFENSES

- Sec. 301. Repeal.
 Sec. 302. Revision of FAFSA form.

TITLE IV—FINANCIAL AID SHOPPING SHEET

- Sec. 401. Secretarial requirements.
 Sec. 402. Requirements for institutions of higher education.

TITLE V—SNAP AND HIGHER EDUCATION

- Sec. 501. SNAP treatment of living expenses included in educational loans.
 Sec. 502. Eligibility of students to participate in the supplemental nutrition assistance program.

1 **TITLE I—ADJUSTMENTS TO**
 2 **FEDERAL PELL GRANTS**

3 **SEC. 101. INCREASE IN MAXIMUM FEDERAL PELL GRANT**
 4 **AMOUNT.**

5 Section 401(b)(7)(C) of the Higher Education Act of
 6 1965 (20 U.S.C. 1070a(b)(7)(C)) is amended by striking
 7 clauses (ii) and (iii) and inserting the following:

8 “(ii) AWARD YEAR 2019–2020.—For
 9 award year 2019–2020, the amount deter-
 10 mined under this subparagraph for pur-
 11 poses of subparagraph (B)(iii) shall be in-
 12 creased to \$9,970.

1 “(iii) SUBSEQUENT AWARD YEARS.—
 2 For award year 2020–2021 and each sub-
 3 sequent award year, the amount deter-
 4 mined under this subparagraph for pur-
 5 poses of subparagraph (B)(iii) shall be
 6 equal to—

7 “(I) the amount determined
 8 under this subparagraph for the pre-
 9 ceding award year; increased by

10 “(II) a percentage equal to the
 11 annual adjustment percentage for the
 12 award year for which the amount
 13 under this subparagraph is being de-
 14 termined; and

15 “(III) rounded to the nearest
 16 \$5.”.

17 **SEC. 102. INCREASE IN TOTAL SEMESTERS OF FEDERAL**
 18 **PELL GRANT ELIGIBILITY.**

19 Section 401(e)(5) of the Higher Education Act of
 20 1965 (20 U.S.C. 1070a(e)(5)) is amended by striking
 21 “12” both places it appears and inserting “15”.

22 **SEC. 103. EXTENDING FEDERAL PELL GRANT ELIGIBILITY**
 23 **OF CERTAIN SHORT-TERM PROGRAMS.**

24 (a) IN GENERAL.—Section 401 of the Higher Edu-
 25 cation Act of 1965 (20 U.S.C. 1070a), as amended by sec-

1 tion 4, is further amended by inserting after subsection
2 (j) the following:

3 “(k) JOB TRAINING FEDERAL PELL GRANT PRO-
4 GRAM.—

5 “(1) DEFINITIONS.—In this subsection:

6 “(A) ELIGIBLE CAREER PATHWAY PRO-
7 GRAM.—The term ‘eligible career pathway pro-
8 gram’ means a program that—

9 “(i) meets the requirements of section
10 484(d)(2);

11 “(ii) is a program of training services
12 listed under included on the list established
13 under section 122(d) of the Workforce In-
14 novation and Opportunity Act (29 U.S.C.
15 3152(d)); and

16 “(iii) is part of a career pathway, as
17 defined in section 3 of such Act (29 U.S.C.
18 3102).

19 “(B) JOB TRAINING PROGRAM.—The term
20 ‘job training program’ means a career and tech-
21 nical education program at an institution of
22 higher education that—

23 “(i) provides not less than 150, and
24 not more than 600, clock hours of instruc-

1 tional time over a period of not less than
2 8, and not more than 15, weeks;

3 “(ii) provides training aligned with
4 the requirements of employers in the State
5 or local area, which may include in-demand
6 industry sectors or occupations, as defined
7 in section 3 of the Workforce Innovation
8 and Opportunity Act (29 U.S.C. 3102), in
9 the State or local area (as defined in such
10 section);

11 “(iii) is a program of training services
12 that is provided through an eligible pro-
13 vider of training services listed under sec-
14 tion 122(d) of such Act (29 U.S.C.
15 3152(d));

16 “(iv) provides a student, upon comple-
17 tion of the program, with a recognized
18 postsecondary credential, as defined in sec-
19 tion 3 of such Act, that is recognized by
20 employers in the relevant industry, includ-
21 ing credentials recognized by industry or
22 sector partnerships in the State or local
23 area where the industry is located;

24 “(v) has been determined, by the in-
25 stitution of higher education, to provide

1 academic content, an amount of instruc-
2 tional time, and a recognized postsec-
3 ondary credential that are sufficient to—

4 “(I) meet the hiring requirements
5 of potential employers; and

6 “(II) satisfy any applicable edu-
7 cational prerequisite requirement for
8 professional licensure or certification,
9 so that the student who completes the
10 program and seeks employment quali-
11 fies to take any licensure or certifi-
12 cation examination needed to practice
13 or find employment in an occupation
14 that the program prepares students to
15 enter;

16 “(vi) may include integrated or basic
17 skills courses; and

18 “(vii) may be offered as part of an eli-
19 gible career pathway program.

20 “(2) GRANT PROGRAM.—For the award year
21 beginning on July 1, 2019, and each subsequent
22 award year, the Secretary shall carry out a program
23 through which the Secretary shall award job training
24 Federal Pell Grants to students in job training pro-
25 grams. Each job training Federal Pell Grant award-

1 ed under this subsection shall have the same terms
2 and conditions, and be awarded in the same manner,
3 as a Federal Pell Grant awarded under subsection
4 (a), except as follows:

5 “(A) A student who is eligible to receive a
6 job training Federal Pell Grant under this sub-
7 section is a student who—

8 “(i) has not yet attained a baccalaureate degree or postbaccalaureate degree;
9
10

11 “(ii) attends an institution of higher
12 education;

13 “(iii) is enrolled, or accepted for enrollment, in a job training program at such
14 institution of higher education; and
15

16 “(iv) meets all other eligibility requirements for a Federal Pell Grant (except with respect to the type of program of
17 study, as provided in clause (iii)).
18
19

20 “(B) The amount of a job training Federal
21 Pell Grant for an eligible student shall be determined under subsection (b)(1), except that—
22

23 “(i) the maximum Federal Pell Grant
24 awarded under this subsection for an
25 award year shall be 50 percent of the max-

1 imum Federal Pell Grant awarded under
2 subsection (b)(5) applicable to that award
3 year; and

4 “(ii) subsection (b)(4) shall not apply.

5 “(3) INCLUSION IN TOTAL ELIGIBILITY PE-
6 RIOD.—Any period during which a student receives
7 a job training Federal Pell Grant under this sub-
8 section shall be included in calculating the student’s
9 period of eligibility for Federal Pell Grants under
10 subsection (c), and any regulations under such sub-
11 section regarding students who are enrolled in an
12 undergraduate program on less than a full-time
13 basis shall similarly apply to students who are en-
14 rolled in a job training program at an eligible insti-
15 tution on less than a full-time basis.”.

16 (b) ADDITIONAL SAFEGUARDS.—Section 496(a)(4)
17 of the Higher Education Act of 1965 (20 U.S.C.
18 1099b(a)(4)) is amended—

19 (1) in subparagraph (A), by striking “and”
20 after the semicolon;

21 (2) in subparagraph (B)(ii), by inserting “and”
22 after the semicolon; and

23 (3) by adding at the end the following:

24 “(C) if such agency or association has or
25 seeks to include within its scope of recognition

1 the evaluation of the quality of institutions of
2 higher education participating in the job train-
3 ing Federal Pell Grant program under section
4 401(k), such agency or association shall, in ad-
5 dition to meeting the other requirements of this
6 subpart, demonstrate to the Secretary that,
7 with respect to such job training programs—

8 “(i) the agency or association’s stand-
9 ards include a process for determining
10 whether the program provides training
11 aligned with the requirements of employers
12 in the State or local area served by the
13 program; and

14 “(ii) the agency or association re-
15 quires a demonstration that the program—

16 “(I) has identified each recog-
17 nized postsecondary credential offered
18 and the corresponding industry or sec-
19 tor partnership that actively recog-
20 nizes each credential in the relevant
21 industry in the State or local area
22 where the industry is located; and

23 “(II) provides the academic con-
24 tent and amount of instructional time
25 that is sufficient to—

1 “(aa) meet the hiring re-
2 quirements of potential employ-
3 ers; and

4 “(bb) satisfy any applicable
5 educational prerequisites for pro-
6 fessional licensure or certification
7 requirements so that the student
8 who completes the program and
9 seeks employment qualifies to
10 take any licensure or certification
11 examination that is needed to
12 practice or find employment in
13 an occupation that the program
14 prepares students to enter;”.

15 **TITLE II—FINANCIAL AID**
16 **COUNSELING FOR BORROWERS**

17 **SEC. 201. ANNUAL FINANCIAL AID COUNSELING.**

18 Section 485(l) of the Higher Education Act of 1965
19 (20 U.S.C. 1092(l)) is amended to read as follows:

20 “(l) ANNUAL FINANCIAL AID COUNSELING.—

21 “(1) ANNUAL DISCLOSURE REQUIRED.—

22 “(A) IN GENERAL.—Each eligible institu-
23 tion shall ensure that each individual who re-
24 ceives a loan made under part D (other than a
25 Federal Direct Consolidation Loan) receives

1 comprehensive information on the terms and
2 conditions of such loan and the responsibilities
3 the individual has with respect to such loan.
4 Such information shall be provided, for each
5 award year for which the individual receives
6 such loan, in a simple and understandable man-
7 ner—

8 “(i) during a counseling session con-
9 ducted in person;

10 “(ii) online, with the individual ac-
11 knowledging receipt of the information; or

12 “(iii) through the use of the online
13 counseling tool described in subsection
14 (k)(1)(B).

15 “(B) USE OF INTERACTIVE PROGRAMS.—

16 In the case of institutions not using the online
17 counseling tool described in subsection
18 (k)(1)(B), the Secretary shall require such in-
19 stitutions to carry out the requirements of sub-
20 paragraph (A) through the use of interactive
21 programs, during an annual counseling session
22 that is in-person or online, that test the individ-
23 ual’s understanding of the terms and conditions
24 of the loan awarded to the individual, using

1 simple and understandable language and clear
2 formatting.

3 “(2) ALL INDIVIDUALS.—The information to be
4 provided under paragraph (1)(A) to each individual
5 receiving counseling under this subsection shall in-
6 clude the following:

7 “(A) An explanation of how the individual
8 may budget for typical educational expenses
9 and a sample budget based on the cost of at-
10 tendance for the institution.

11 “(B) An explanation that an individual has
12 a right to annually request a disclosure of infor-
13 mation collected by a consumer reporting agen-
14 cy pursuant to section 612(a) of the Fair Credit
15 Reporting Act (15 U.S.C. 1681j(a)).

16 “(C) Based on the most recent data avail-
17 able from the American Community Survey
18 available from the Department of Commerce,
19 the estimated average income and percentage of
20 employment in the State of domicile of the indi-
21 vidual for individuals with—

22 “(i) a high school diploma or equiva-
23 lent;

1 “(ii) some post-secondary education
2 without completion of a degree or certifi-
3 cate; and

4 “(iii) a bachelor’s degree.

5 “(D) An introduction to the financial man-
6 agement resources provided by the Financial
7 Literacy and Education Commission.

8 “(3) BORROWERS RECEIVING LOANS MADE
9 UNDER PART D (OTHER THAN PARENT PLUS
10 LOANS).—The information to be provided under
11 paragraph (1)(A) to a borrower of a loan made
12 under part D (other than a Federal Direct PLUS
13 Loan made on behalf of a dependent student) shall
14 include the following:

15 “(A) To the extent practicable, the effect
16 of accepting the loan to be disbursed on the eli-
17 gibility of the borrower for other forms of stu-
18 dent financial assistance.

19 “(B) An explanation of the use of the mas-
20 ter promissory note.

21 “(C) An explanation that the borrower is
22 not required to accept the full amount of the
23 loan offered to the borrower.

24 “(D) An explanation that the borrower
25 should consider accepting any grant, scholar-

1 ship, or State or Federal work-study jobs for
2 which the borrower is eligible prior to accepting
3 Federal student loans.

4 “(E) A recommendation to the borrower to
5 exhaust the borrower’s Federal student loan op-
6 tions prior to taking out private education
7 loans, an explanation that Federal student
8 loans typically offer better terms and conditions
9 than private education loans, an explanation of
10 treatment of loans made under part D and pri-
11 vate education loans in bankruptcy, and an ex-
12 planation that if a borrower decides to take out
13 a private education loan—

14 “(i) the borrower has the ability to se-
15 lect a private educational lender of the bor-
16 rower’s choice;

17 “(ii) the proposed private education
18 loan may impact the borrower’s potential
19 eligibility for other financial assistance, in-
20 cluding Federal financial assistance under
21 this title; and

22 “(iii) the borrower has a right—

23 “(I) to accept the terms of the
24 private education loan within 30 cal-
25 endar days following the date on

1 which the application for such loan is
2 approved and the borrower receives
3 the required disclosure documents,
4 pursuant to section 128(e) of the
5 Truth in Lending Act (15 U.S.C.
6 1638(e)); and

7 “(II) to cancel such loan within 3
8 business days of the date on which the
9 loan is consummated, pursuant to sec-
10 tion 128(e)(7) of such Act (15 U.S.C.
11 1638(e)(7)).

12 “(F) An explanation of the approved edu-
13 cational expenses for which the borrower may
14 use a loan made under part D.

15 “(G) Information on the annual and aggre-
16 gate loan limits for Federal Direct Stafford
17 Loans and Federal Direct Unsubsidized Staf-
18 ford Loans.

19 “(H) Information on how interest accrues
20 and is capitalized during periods when the in-
21 terest is not paid by either the borrower or the
22 Secretary.

23 “(I) In the case of a Federal Direct PLUS
24 Loan or a Federal Direct Unsubsidized Staf-

1 ford Loan, the option of the borrower to pay
2 the interest while the borrower is in school.

3 “(J) The definition of half-time enrollment
4 at the institution, during regular terms and
5 summer school, if applicable, and the con-
6 sequences of not maintaining at least half-time
7 enrollment.

8 “(K) An explanation of the importance of
9 contacting the appropriate offices at the institu-
10 tion of higher education if the borrower with-
11 draws prior to completing the borrower’s pro-
12 gram of study so that the institution can pro-
13 vide exit counseling, including information re-
14 garding the borrower’s repayment options and
15 loan consolidation.

16 “(L) For a first-time borrower—

17 “(i) a statement of the anticipated
18 balance on the loan for which the borrower
19 is receiving counseling under this sub-
20 section;

21 “(ii) based on such anticipated bal-
22 ance, the anticipated monthly payment
23 amount under, at minimum—

24 “(I) the standard repayment
25 plan; and

1 “(II) an income-based repayment
2 plan under section 493C, as deter-
3 mined using regionally available data
4 from the Bureau of Labor Statistics
5 of the average starting salary for the
6 occupation in which the borrower has
7 an interest in or intends to be em-
8 ployed; and

9 “(iii) an estimate of the projected
10 monthly payment amount under each re-
11 payment plan described in clause (ii),
12 based on the average cumulative indebted-
13 ness at graduation for borrowers of loans
14 made under part D who are in the same
15 program of study as the borrower.

16 “(M) For a borrower with an outstanding
17 balance of principal or interest due on a loan
18 made under this title—

19 “(i) a current statement of the
20 amount of such outstanding balance and
21 interest accrued;

22 “(ii) based on such outstanding bal-
23 ance, the anticipated monthly payment
24 amount under, at minimum, the standard
25 repayment plan and, using regionally avail-

1 able data from the Bureau of Labor Sta-
2 tistics of the average starting salary for
3 the occupation the borrower intends to be
4 employed, an income-based repayment plan
5 under section 493C; and

6 “(iii) an estimate of the projected
7 monthly payment amount under each re-
8 payment plan described in clause (ii),
9 based on—

10 “(I) the outstanding balance de-
11 scribed in clause (i);

12 “(II) the anticipated outstanding
13 balance on the loan for which the stu-
14 dent is receiving counseling under this
15 subsection; and

16 “(III) a projection for any other
17 loans made under part D that the
18 borrower is reasonably expected to ac-
19 cept during the borrower’s program of
20 study based on at least the expected
21 increase in the cost of attendance of
22 such program.

23 “(N) The obligation of the borrower to
24 repay the full amount of the loan, regardless of
25 whether the borrower completes or does not

1 complete the program in which the borrower is
2 enrolled within the regular time for program
3 completion.

4 “(O) The likely consequences of default on
5 the loan, including adverse credit reports, delin-
6 quent debt collection procedures under Federal
7 law, and litigation, and a notice of the institu-
8 tion’s most recent cohort default rate (defined
9 in section 435(m)), an explanation of the cohort
10 default rate, the most recent national average
11 cohort default rate, and the most recent na-
12 tional average cohort default rate for the cat-
13 egory of institution described in section
14 435(m)(4) to which the institution belongs.

15 “(P) Information on the National Student
16 Loan Data System and how the borrower can
17 access the borrower’s records.

18 “(Q) The contact information for the insti-
19 tution’s financial aid office or other appropriate
20 office at the institution the borrower may con-
21 tact if the borrower has any questions about the
22 borrower’s rights and responsibilities or the
23 terms and conditions of the loan.

24 “(4) BORROWERS RECEIVING PARENT PLUS
25 LOANS FOR DEPENDENT STUDENTS.—The informa-

1 tion to be provided under paragraph (1)(A) to a bor-
2 rower of a Federal Direct PLUS Loan made on be-
3 half of a dependent student shall include the fol-
4 lowing:

5 “(A) The information described in sub-
6 paragraphs (A) through (C) and (N) through
7 (Q) of paragraph (3).

8 “(B) The option of the borrower to pay the
9 interest on the loan while the loan is in
10 deferment.

11 “(C) For a first-time borrower of such
12 loan—

13 “(i) a statement of the anticipated
14 balance on the loan for which the borrower
15 is receiving counseling under this sub-
16 section;

17 “(ii) based on such anticipated bal-
18 ance, the anticipated monthly payment
19 amount under the standard repayment
20 plan; and

21 “(iii) an estimate of the projected
22 monthly payment amount under the stand-
23 ard repayment plan, based on the average
24 cumulative indebtedness of other borrowers
25 of Federal Direct PLUS Loans made on

1 behalf of dependent students who are in
2 the same program of study as the student
3 on whose behalf the borrower borrowed the
4 loan.

5 “(D) For a borrower with an outstanding
6 balance of principal or interest due on such
7 loan—

8 “(i) a statement of the amount of
9 such outstanding balance;

10 “(ii) based on such outstanding bal-
11 ance, the anticipated monthly payment
12 amount under the standard repayment
13 plan; and

14 “(iii) an estimate of the projected
15 monthly payment amount under the stand-
16 ard repayment plan, based on—

17 “(I) the outstanding balance de-
18 scribed in clause (i);

19 “(II) the anticipated outstanding
20 balance on the loan for which the bor-
21 rower is receiving counseling under
22 this subsection; and

23 “(III) a projection for any other
24 Federal Direct PLUS Loan made on
25 behalf of the dependent student that

1 the borrower is reasonably expected to
2 accept during the program of study of
3 such student based on at least the ex-
4 pected increase in the cost of attend-
5 ance of such program.

6 “(E) Debt management strategies that are
7 designed to facilitate the repayment of such in-
8 debtedness.

9 “(F) An explanation that the borrower has
10 the options to prepay each loan, pay each loan
11 on a shorter schedule, and change repayment
12 plans.

13 “(G) For each Federal Direct PLUS Loan
14 made on behalf of a dependent student for
15 which the borrower is receiving counseling
16 under this subsection, the contact information
17 for the loan servicer of the loan and a link to
18 such servicer’s Website.

19 “(5) ANNUAL LOAN ACCEPTANCE.—Prior to
20 making the first disbursement of a loan made under
21 part D (other than a Federal Direct Consolidation
22 Loan) to a borrower for an award year, an eligible
23 institution, shall, as part of carrying out the coun-
24 seling requirements of this subsection for the loan,
25 ensure that after receiving the applicable counseling

1 under paragraphs (2), (3), and (4) for the loan the
2 borrower accepts the loan for such award year by—

3 “(A) signing the master promissory note
4 for the loan;

5 “(B) signing and returning to the institu-
6 tion a separate written statement that affirma-
7 tively states that the borrower accepts the loan;
8 or

9 “(C) electronically signing an electronic
10 version of the statement described in subpara-
11 graph (B).”.

12 **SEC. 202. EXIT COUNSELING.**

13 Section 485(b) of the Higher Education Act of 1965
14 (20 U.S.C. 1092(b)) is amended—

15 (1) in paragraph (1)(A)—

16 (A) in the matter preceding clause (i), by
17 striking “through financial aid offices or other-
18 wise” and inserting “through the use of an
19 interactive program, during an exit counseling
20 session that is in-person or online, or through
21 the use of the online counseling tool described
22 in subsection (k)(1)(A)”;

23 (B) by redesignating clauses (i) through
24 (ix) as clauses (iv) through (xii), respectively;

1 (C) by inserting before clause (iv), as so
2 redesignated, the following:

3 “(i) a summary of the outstanding balance of
4 principal and interest due on the loans made to the
5 borrower under part B, D, or E;

6 “(ii) an explanation of the grace period pre-
7 ceding repayment and the expected date that the
8 borrower will enter repayment; and

9 “(iii) an explanation that the borrower has the
10 option to pay any interest that has accrued while the
11 borrower was in school or that may accrue during
12 the grace period preceding repayment or during an
13 authorized period of deferment or forbearance, prior
14 to the capitalization of the interest;”;

15 (D) in clause (iv), as so redesignated—

16 (i) by striking “sample information
17 showing the average” and inserting “infor-
18 mation, based on the borrower’s out-
19 standing balance described in clause (i),
20 showing the borrower’s”; and

21 (ii) by striking “of each plan” and in-
22 sserting “of at least the standard repay-
23 ment plan and the income-based repay-
24 ment plan under section 493C”;

25 (E) in clause (ix), as so redesignated—

1 (i) by inserting “decreased credit
2 score,” after “credit reports,”; and

3 (ii) by inserting “reduced ability to
4 rent or purchase a home or car, potential
5 difficulty in securing employment,” after
6 “Federal law,”;

7 (F) in clause (x), as so redesignated, by
8 striking “consolidation loan under section 428C
9 or a”;

10 (G) in clauses (xi) and (xii), as so redesignated,
11 by striking “and” at the end; and

12 (H) by adding at the end the following:

13 “(xiii) for each of the borrower’s loans made
14 under part B, D, or E for which the borrower is re-
15 ceiving counseling under this subsection, the contact
16 information for the loan servicer of the loan and a
17 link to such servicer’s Website; and

18 “(xiv) an explanation that an individual has a
19 right to annually request a disclosure of information
20 collected by a consumer reporting agency pursuant
21 to section 612(a) of the Fair Credit Reporting Act
22 (15 U.S.C. 1681j(a)).”;

23 (2) in paragraph (1)(B)—

24 (A) by inserting “online or” before “in
25 writing”; and

1 (B) by adding before the period at the end
2 the following: “, except that in the case of an
3 institution using the online counseling tool de-
4 scribed in subsection (k)(1)(A), the Secretary
5 shall attempt to provide such information to the
6 student in the manner described in subsection
7 (k)(3)(C)”;

8 (3) in paragraph (2)(C), by inserting “, such as
9 the online counseling tool described in subsection
10 (k)(1)(A),” after “electronic means”.

11 **SEC. 203. ONLINE COUNSELING TOOLS.**

12 Section 485(k) of the Higher Education Act of 1965
13 (20 U.S.C. 1092) is amended to read as follows:

14 “(k) ONLINE COUNSELING TOOLS.—

15 “(1) IN GENERAL.—Beginning not later than 1
16 year after the date of enactment of the Achieving
17 Independence through Degrees Act, the Secretary
18 shall maintain—

19 “(A) an online counseling tool that pro-
20 vides the exit counseling required under sub-
21 section (b) and meets the applicable require-
22 ments of this subsection; and

23 “(B) an online counseling tool that pro-
24 vides the annual counseling required under sub-

1 section (1) and meets the applicable require-
2 ments of this subsection.

3 “(2) REQUIREMENTS OF TOOLS.—In maintain-
4 ing the online counseling tools described in para-
5 graph (1), the Secretary shall ensure that each such
6 tool is—

7 “(A) consumer tested, in consultation with
8 other relevant Federal agencies, to ensure that
9 the tool is effective in helping individuals under-
10 stand their rights and obligations with respect
11 to borrowing a loan made under part D;

12 “(B) understandable to students who are
13 borrowers of loans made under part D; and

14 “(C) freely available to all eligible institu-
15 tions.

16 “(3) RECORD OF COUNSELING COMPLETION.—
17 The Secretary shall—

18 “(A) use each online counseling tool de-
19 scribed in paragraph (1) to keep a record of
20 which individuals have received counseling using
21 the tool, and notify the applicable institutions
22 of the individual’s completion of such coun-
23 seling;

24 “(B) in the case of a borrower who re-
25 ceives annual counseling for a loan made under

1 part D using the tool described in paragraph
2 (1)(B), notify the borrower by when the bor-
3 rower should accept, in a manner described in
4 subsection (l)(6), the loan for which the bor-
5 rower has received such counseling; and

6 “(C) in the case of a borrower described in
7 subsection (b)(1)(B) at an institution that uses
8 the online counseling tool described in para-
9 graph (1)(A) of this subsection, the Secretary
10 shall attempt to provide the information de-
11 scribed in subsection (b)(1)(A) to the borrower
12 through such tool.”.

13 **SEC. 204. LONGITUDINAL STUDY ON THE EFFECTIVENESS**
14 **OF STUDENT LOAN COUNSELING.**

15 (a) IN GENERAL.—Not later than 1 year after the
16 date of enactment of this Act, the Secretary of Education,
17 acting through the Director of the Institute of Education
18 Sciences, shall begin conducting a rigorous, longitudinal
19 study of the impact and effectiveness of the student loan
20 counseling—

21 (1) provided under subsections (b), (l), and (k)
22 of section 485 of the Higher Education Act of 1965
23 (20 U.S.C. 1092), as amended by this Act; and

24 (2) provided through such other means as the
25 Secretary of Education may determine.

1 (b) CONTENTS.—

2 (1) BORROWER INFORMATION.—The longitu-
3 dinal study carried out under subsection (a) shall in-
4 clude borrower information, in the aggregate and
5 disaggregated by race, ethnicity, gender, income, and
6 status as an individual with a disability, on—

7 (A) student persistence;

8 (B) degree attainment;

9 (C) program completion;

10 (D) successful entry into student loan re-
11 payment;

12 (E) cumulative borrowing levels; and

13 (F) such other factors as the Secretary of
14 Education may determine.

15 (2) EXCEPTION.—The disaggregation under
16 paragraph (1) shall not be required in a case in
17 which the number of borrowers in a category is in-
18 sufficient to yield statistically reliable information or
19 the results would reveal personally identifiable infor-
20 mation about an individual borrower.

21 (c) INTERIM REPORTS.—Not later than 18 months
22 after the commencement of the study under subsection
23 (a), and annually thereafter, the Secretary of Education
24 shall evaluate the progress of the study and report any

1 short-term findings to the appropriate committees of Con-
2 gress.

3 **TITLE III—REPEAL OF SUSPEN-**
4 **SION OF ELIGIBILITY UNDER**
5 **THE HIGHER EDUCATION ACT**
6 **OF 1965 FOR GRANTS, LOANS,**
7 **AND WORK ASSISTANCE FOR**
8 **DRUG-RELATED OFFENSES**

9 **SEC. 301. REPEAL.**

10 (a) IN GENERAL.—Section 484 of the Higher Edu-
11 cation Act of 1965 (20 U.S.C. 1091) is amended by strik-
12 ing subsection (r).

13 (b) CONFORMING AMENDMENTS.—Section 484 of the
14 Higher Education Act of 1965 (20 U.S.C. 1091) is
15 amended by redesignating subsections (s), (t), and (u) as
16 subsections (r), (s), and (t), respectively.

17 **SEC. 302. REVISION OF FAFSA FORM.**

18 Section 483 of the Higher Education Act of 1965 (20
19 U.S.C. 1090) is amended by adding at the end the fol-
20 lowing:

21 “(i) CONVICTIONS.—The Secretary shall not include
22 any question about the conviction of an applicant for the
23 possession or sale of illegal drugs on the FAFSA (or any
24 other form developed under subsection (a)).”.

1 **TITLE IV—FINANCIAL AID**
2 **SHOPPING SHEET**

3 **SEC. 401. SECRETARIAL REQUIREMENTS.**

4 (a) IN GENERAL.—Not later 1 year after the date
5 of enactment of this Act, the Secretary of Education, in
6 consultation with the Secretaries of Defense and Veterans
7 Affairs, shall develop and finalize a financial shopping
8 sheet that ensures each institution of higher education
9 provides meaningful information about the financial cost
10 and quality of such institution to students (including stu-
11 dents who have authorized the Department of Education
12 to send the student’s Institutional Student Information
13 Record to such institution) to assist such students in de-
14 termining how to use financial aid to attend such institu-
15 tion, and which—

16 (1) is standardized so that it can be used by all
17 institutions of higher education;

18 (2) is consumer tested, and presented in a man-
19 ner that is simple and easily understandable; and

20 (3) is personalized for each student who re-
21 ceives such sheet by including—

22 (A) the cost of attendance of the edu-
23 cational program in which the student is en-
24 rolled or seeks to be enrolled;

1 (B) the type of Federal educational bene-
2 fits available to assist in covering such cost of
3 attendance, including loans and grants under
4 title IV of the Higher Education Act of 1965;

5 (C) the amount of financial aid, including
6 Federal, State, institutional, or other aid that
7 can be used to assist in covering such cost of
8 attendance;

9 (D) information about student outcomes
10 for students who graduate from such edu-
11 cational program, including, based upon the
12 most recent data available—

13 (i) the graduation rate;

14 (ii) the loan repayment rate; and

15 (iii) the estimated loan debt upon
16 graduation; and

17 (E) any other information that facilitates
18 comparison of aid packages offered by different
19 institutions of higher education.

20 (b) DEFINITIONS.—In this subsection:

21 (1) COST OF ATTENDANCE.—The term “cost of
22 attendance” has the meaning given the term in sec-
23 tion 472 of the Higher Education Act of 1965 (20
24 U.S.C. 1087l).

1 (2) INSTITUTION OF HIGHER EDUCATION.—The
 2 term “institution of higher education” has the
 3 meaning given the term in section 102 of the Higher
 4 Education Act of 1965 (20 U.S.C. 1002).

5 **SEC. 402. REQUIREMENTS FOR INSTITUTIONS OF HIGHER**
 6 **EDUCATION.**

7 Section 487(a) of the Higher Education Act of 1965
 8 (20 U.S.C. 1094(a)) is amended by adding at the end the
 9 following:

10 “(30) The institution will use a financial aid
 11 shopping sheet described in 401(a) of the Achieving
 12 Independence through Degrees Act as its sole finan-
 13 cial award letter or include such sheet as a supple-
 14 mental cover to such financial award letter.”.

15 **TITLE V—SNAP AND HIGHER**
 16 **EDUCATION**

17 **SEC. 501. SNAP TREATMENT OF LIVING EXPENSES IN-**
 18 **CLUDED IN EDUCATIONAL LOANS.**

19 Section 5 of the Food and Nutrition Act of 2008 (7
 20 U.S.C. 2014) is amended—

21 (1) in subsection (d)—

22 (A) in paragraph (3)(B) by striking “other
 23 than” and inserting “including”; and

1 (B) in the proviso of paragraph (5) by
2 striking “, and no portion” and all that follows
3 through “expenses,”; and

4 (2) in subsection (k)—

5 (A) by striking paragraph (3); and

6 (B) by redesignating paragraph (4) as
7 paragraph (3).

8 **SEC. 502. ELIGIBILITY OF STUDENTS TO PARTICIPATE IN**
9 **THE SUPPLEMENTAL NUTRITION ASSIST-**
10 **ANCE PROGRAM.**

11 Section 6(e) of the Food and Nutrition Act of 2008
12 (7 U.S.C. 2015(e)) is amended—

13 (1) in paragraph (7) by striking “or” at the
14 end;

15 (2) in paragraph (8) by striking the period at
16 the end and inserting a semicolon; and

17 (3) by adding at the end the following:

18 “(9) has an expected family contribution of
19 zero, as determined by the procedures established in
20 part F of title IV of the Higher Education Act of
21 1965 (20 U.S.C. 1087kk–1087vv); or

22 “(10) is determined to be ‘independent’ based
23 on one of the criteria specified in subparagraphs

1 (B), (C), (D), (G), and (H) of section 480(d)(1) of
2 the Higher Education Act (20 U.S.C. 1087vv).”.

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