H. R. 4012

To amend the Higher Education Act of 1965 and title 38, United States Code, to conduct risk analyses regarding certain educational institutions receiving payments under the Department of Education heightened cash monitoring payment method, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 25, 2019

Mr. CUMMINGS (for himself and Mr. YOHO) introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committee on Veterans' Affairs, 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 and title 38, United States Code, to conduct risk analyses regarding certain educational institutions receiving payments under the Department of Education heightened cash monitoring payment method, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Safeguarding Student Veterans Act”.

SEC. 2. DEPARTMENT OF EDUCATION HEIGHTENED CASH MONITORING STATUS.

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

“(8) In a case in which, pursuant to paragraph (1)(B), the Secretary makes payments to an eligible institution using the heightened cash monitoring payment method due to the determination that the institution fails to meet reasonable standards of financial responsibility or appropriate institutional capability for the administration of a program of student financial aid under this title, not later than 5 days after such determination with respect to the institution and on an ongoing basis thereafter, the Secretary of Education shall provide to the Secretary of Veterans Affairs—

“(A) notice of such determination; and

“(B) any information submitted to the Secretary of Education by the eligible institution for purposes of such payment method.”.
SEC. 3. DEPARTMENT OF VETERANS AFFAIRS RISK ANALYSIS AND NOTICE TO STUDENTS REGARDING DEPARTMENT OF EDUCATION CASH PAYMENT MONITORING OF EDUCATIONAL INSTITUTIONS.

(a) In general.—Chapter 36 of title 38, United States Code, is amended by adding at the end the following new section:

“§ 3699B. Risk analysis and notice to students regarding Department of Education cash payment monitoring of educational institutions

“(a) Risk Analysis.—(1) In the case of any covered educational institution, the Secretary of Veterans Affairs shall conduct an analysis of the risk posed by the school to students using entitlement to educational assistance under the laws administered by the Secretary. Such risk analysis shall include the following risk factors:

“(A) Rapid increases in veteran enrollment.

“(B) Increases in the amount of benefits per capita.

“(C) Volume of student complaints.

“(D) Rates of Federal student loan defaults of veterans.

“(E) Veteran completion rates.
“(F) Deficiencies identified by accreditors and other State agencies.

“(G) Deficiencies in Department of Veterans Affairs program administration compliance.

“(2) The Secretary shall complete such risk analysis by not later than 30 days after the date on which the Secretary receives the notice referred to in paragraph (3)(A).

“(3) In this subsection, a covered educational institution is an educational institution—

“(A) for which the Secretary receives notice from the Secretary of Education under section 487(e)(8) of the Higher Education Act of 1965 (20 U.S.C. 1094(e)(8)) that an educational institution is receiving payments under the heightened cash monitoring payment method due to the determination that the institution fails to meet reasonable standards of financial responsibility or appropriate institutional capability for the administration of a program of student financial aid; and

“(B) where 20 or more individuals are pursuing a course or program of education using educational assistance under chapter 30, 32, 33, or 35 of this title, or chapter 1606 or 1607 of title 10.
“(b) NOTICE.—Not later than 15 days after completing a risk analysis under subsection (a), the Secretary of Veterans Affairs shall—

“(1) provide notice of such determination to any individual who is pursuing a course or program of education at such educational institution using the individual’s entitlement to educational assistance under chapter 30, 32, 33, or 35 of this title, or chapter 1606 or 1607 of title 10; and

“(2) publish such notice on an appropriate website of the Department, including as part of the GI Bill Comparison tool, or any successor.”.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“3699B. Risk analysis and notice to students regarding Department of Education cash payment monitoring of educational institutions.”.