

116TH CONGRESS
1ST SESSION

H. R. 4206

To amend the Higher Education Act of 1965 to include requirements for programs of training to prepare students for gainful employment in a recognized occupation.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 23, 2019

Mr. TAKANO (for himself and Ms. SHALALA) introduced the following bill;
which was referred to the Committee on Education and Labor

A BILL

To amend the Higher Education Act of 1965 to include requirements for programs of training to prepare students for gainful employment in a recognized occupation.

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 “Student and Taxpayer
5 Protection Act”.

6 **SEC. 2. GAINFUL EMPLOYMENT PROGRAMS.**

7 Part A of title I of the Higher Education Act of 1965
8 (20 U.S.C. 1001 et seq.) is amended by adding at the end
9 the following:

1 **“SEC. 104. PROGRAM OF TRAINING TO PREPARE STUDENTS**
2 **FOR GAINFUL EMPLOYMENT IN A RECOG-**
3 **NIZED OCCUPATION.**

4 “(a) GAINFUL EMPLOYMENT PROGRAM DEFINED.—
5 In this Act (including for purposes of sections 101 and
6 102), the term ‘program of training to prepare students
7 for gainful employment in a recognized occupation’ (in
8 this section referred to as ‘training program’) means a
9 training program that—

10 “(1) is in compliance with the performance
11 metrics (including the eligibility thresholds for each
12 such metric) established under subsection (b)(1);

13 “(2) is in compliance with the notice require-
14 ments under subsection (b)(1)(C)(i)(II);

15 “(3) is otherwise eligible to receive funds under
16 title IV; and

17 “(4) is not a training program that is substan-
18 tially similar to a training program which, during a
19 period determined by the Secretary, did not meet
20 one or more of the performance metrics (such as an
21 eligibility threshold) described in paragraph (1).

22 “(b) SECRETARIAL REQUIREMENTS.—

23 “(1) ESTABLISHMENT OF REQUIREMENTS.—

24 “(A) IN GENERAL.—Not later than 18
25 months after the date of enactment of the Stu-
26 dent and Taxpayer Protection Act, the Sec-

1 retary shall establish requirements for training
2 programs to be eligible training programs for
3 purposes of receiving funds under title IV,
4 which shall include—

5 “(i) establishing performance metrics
6 (including eligibility thresholds for each
7 such metric) described in subparagraph
8 (B); and

9 “(ii) developing a disclosure template
10 and a verification process for disclosures
11 described in subparagraph (C).

12 “(B) PERFORMANCE METRICS.—

13 “(i) IN GENERAL.—In establishing the
14 performance metrics under subparagraph
15 (A)(i), the Secretary shall, at a minimum,
16 establish the requirements for a debt-to-
17 earnings rate that serves the best interests
18 of students and taxpayers, which shall in-
19 clude—

20 “(I) a methodology for calcu-
21 lating such debt-to-earnings rate for a
22 training program, including—

23 “(aa) a definition of the co-
24 hort of individuals on whom such
25 rate shall be based, who shall be

1 selected from the individuals who
2 were enrolled in such training
3 program (without regard to
4 whether the individuals received
5 a loan for such enrollment);

6 “(bb) a determination of the
7 debt amount for such rate based
8 on the median annual loan pay-
9 ment for the loans made under
10 title IV and the private education
11 loans received for such enroll-
12 ment by such cohort; and

13 “(cc) a determination of the
14 earnings amount for such rate
15 based on the mean or median of
16 the actual, student-level annual
17 earnings for such cohort;

18 “(II) establishing a process (such
19 as an appeals process) to authorize
20 training programs to use alternate
21 earnings in lieu of the mean or me-
22 dian of the actual, student-level an-
23 nual earnings of a cohort; and

24 “(III) establishing a threshold
25 rate that each training program shall

1 meet to be eligible to receive funds
2 under title IV.

3 “(ii) EARNINGS DATA.—In deter-
4 mining the mean or median of the actual,
5 student-level annual earnings for purposes
6 of this subparagraph, the Secretary shall
7 obtain and use the most currently available
8 Federal data on such earnings.

9 “(C) DISCLOSURE TEMPLATE.—The Sec-
10 retary shall develop—

11 “(i) a disclosure template that—

12 “(I) is consumer tested; and

13 “(II) is used by each training
14 program to provide enrolled and pro-
15 spective students (including through
16 publication on the website of the pro-
17 gram)—

18 “(aa) on an annual basis,
19 student outcome information for
20 such program (including the
21 debt-to-earnings rate and wheth-
22 er the eligibility threshold for any
23 other performance metric estab-
24 lished under subparagraph (A)(i)
25 has been met); and

1 “(bb) in a case in which the
2 training program receives a no-
3 tice of determination under para-
4 graph (2)(B) that the program
5 may be ineligible for funds under
6 title IV, or may receive other
7 sanctions, not later than 30 days
8 after receipt of such notice, an
9 explanation of such notice of de-
10 termination; and

11 “(ii) a process to annually verify that
12 each training program is providing the dis-
13 closures required under clause (i)(II).

14 “(2) ENFORCEMENT OF REQUIREMENTS.—Not
15 later than 2 years after the Secretary establishes re-
16 quirements under paragraph (1), and annually
17 thereafter, the Secretary shall, with respect to each
18 training program—

19 “(A) calculate the debt-to-earnings rate
20 and assess performance with respect to any
21 other metric established under paragraph
22 (1)(A)(i) for the preceding award year, and
23 make such information publicly available on the
24 website of the Department of Education;

1 “(B) issue a notice of determination on
2 whether the program is meeting the require-
3 ments established by the Secretary, including
4 whether the program shall be subject to sanc-
5 tions (such as loss of eligibility under title IV);
6 and

7 “(C) enforce the applicable sanctions.”.

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