

116TH CONGRESS  
1ST SESSION

# H. R. 5363

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## AN ACT

To reauthorize mandatory funding programs for historically Black colleges and universities and other minority-serving institutions, 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,*

1 **SECTION 1. SHORT TITLE; REFERENCES.**

2 This Act may be cited as the “Fostering Under-  
3 graduate Talent by Unlocking Resources for Education  
4 Act” or the “FUTURE Act”.

5 **SEC. 2. CONTINUED SUPPORT FOR MINORITY-SERVING IN-**  
6 **STITUTIONS.**

7 Section 371(b)(1)(A) of the Higher Education Act of  
8 1965 (20 U.S.C. 1067q(b)(1)(A)) is amended by striking  
9 “for each of the fiscal years 2008 through 2019.” and all  
10 that follows through the end of the subparagraph and in-  
11 serting “for fiscal year 2020 and each fiscal year there-  
12 after.”.

13 **SEC. 3. SECURE DISCLOSURE OF TAX-RETURN INFORMA-**  
14 **TION TO CARRY OUT THE HIGHER EDU-**  
15 **CATION ACT OF 1965.**

16 (a) IN GENERAL.—Paragraph (13) of section 6103(l)  
17 of the Internal Revenue Code of 1986 is amended to read  
18 as follows:

19 “(13) DISCLOSURE OF RETURN INFORMATION  
20 TO CARRY OUT THE HIGHER EDUCATION ACT OF  
21 1965.—

22 “(A) APPLICATIONS AND RECERTIFI-  
23 CATIONS FOR INCOME-CONTINGENT OR INCOME-  
24 BASED REPAYMENT.—The Secretary shall, upon  
25 written request from the Secretary of Edu-  
26 cation, disclose to any authorized person, only

1 for the purpose of (and to the extent necessary  
2 in) determining eligibility for, or repayment ob-  
3 ligations under, income-contingent or income-  
4 based repayment plans under title IV of the  
5 Higher Education Act of 1965 with respect to  
6 loans under part D of such title, the following  
7 return information from returns (for any tax-  
8 able year specified by the Secretary of Edu-  
9 cation as relevant to such purpose) of an indi-  
10 vidual certified by the Secretary of Education  
11 as having provided approval under section  
12 494(a)(2) of such Act (as in effect on the date  
13 of enactment of this paragraph) for such disclo-  
14 sure:

15 “(i) Taxpayer identity information.

16 “(ii) Filing status.

17 “(iii) Adjusted gross income.

18 “(iv) Total number of exemptions  
19 claimed, if applicable.

20 “(v) Number of dependents taken into  
21 account in determining the credit allowed  
22 under section 24.

23 “(vi) If applicable, the fact that there  
24 was no return filed.

1           “(B) DISCHARGE OF LOAN BASED ON  
2 TOTAL AND PERMANENT DISABILITY.—The  
3 Secretary shall, upon written request from the  
4 Secretary of Education, disclose to any author-  
5 ized person, only for the purpose of (and to the  
6 extent necessary in) monitoring and reinstating  
7 loans under title IV of the Higher Education  
8 Act of 1965 that were discharged based on a  
9 total and permanent disability (within the  
10 meaning of section 437(a) of such Act), the fol-  
11 lowing return information from returns (for any  
12 taxable year specified by the Secretary of Edu-  
13 cation as relevant to such purpose) of an indi-  
14 vidual certified by the Secretary of Education  
15 as having provided approval under section  
16 494(a)(3) of such Act (as in effect on the date  
17 of enactment of this paragraph) for such disclo-  
18 sure:

19                   “(i) The return information described  
20 in clauses (i), (ii), and (vi) of subpara-  
21 graph (A).

22                   “(ii) The return information described  
23 in subparagraph (C)(ii).

24           “(C) FEDERAL STUDENT FINANCIAL  
25 AID.—The Secretary shall, upon written request

1 from the Secretary of Education, disclose to  
2 any authorized person, only for the purpose of  
3 (and to the extent necessary in) determining eli-  
4 gibility for, and amount of, Federal student fi-  
5 nancial aid under a program authorized under  
6 subpart 1 of part A, part C, or part D of title  
7 IV of the Higher Education Act of 1965 the  
8 following return information from returns (for  
9 the taxable year used for purposes of section  
10 480(a) of such Act) of an individual certified by  
11 the Secretary of Education as having provided  
12 approval under section 494(a)(1) of such Act  
13 (as in effect on the date of enactment of this  
14 paragraph) for such disclosure:

15 “(i) Return information described in  
16 clauses (i) through (vi) of subparagraph  
17 (A).

18 “(ii) The amount of any net earnings  
19 from self-employment (as defined in sec-  
20 tion 1402(a)), wages (as defined in section  
21 3121(a) or 3401(a)), and taxable income  
22 from a farming business (as defined in sec-  
23 tion 236A(e)(4)).

24 “(iii) Amount of total income tax.

1           “(iv) Amount of any credit allowed  
2 under section 25A.

3           “(v) Amount of individual retirement  
4 account distributions not included in ad-  
5 justed gross income.

6           “(vi) Amount of individual retirement  
7 account contributions and payments to  
8 self-employed SEP, Keogh, and other  
9 qualified plans which were deducted from  
10 income.

11           “(vii) Amount of tax-exempt interest  
12 received.

13           “(viii) Amounts from retirement pen-  
14 sions and annuities not included in ad-  
15 justed gross income.

16           “(ix) If applicable, the fact that any  
17 of the following schedules (or equivalent  
18 successor schedules) were filed with the re-  
19 turn:

20                   “(I) Schedule A.

21                   “(II) Schedule B.

22                   “(III) Schedule D.

23                   “(IV) Schedule E.

24                   “(V) Schedule F.

25                   “(VI) Schedule H.

1           “(x) If applicable, the amount re-  
2           ported on Schedule C (or an equivalent  
3           successor schedule) as net profit or loss.

4           “(D) ADDITIONAL USES OF DISCLOSED IN-  
5           FORMATION.—

6           “(i) IN GENERAL.—In addition to the  
7           purposes for which information is disclosed  
8           under subparagraphs (A), (B), and (C), re-  
9           turn information so disclosed may be used  
10          by an authorized person, with respect to  
11          income-contingent or income-based repay-  
12          ment plans, awards of Federal student fi-  
13          nancial aid under a program authorized  
14          under subpart 1 of part A, part C, or part  
15          D of title IV of the Higher Education Act  
16          of 1965, and discharges of loans based on  
17          a total and permanent disability (within  
18          the meaning of section 437(a) of such  
19          Act), for purposes of—

20                  “(I) reducing the net cost of im-  
21                  proper payments under such plans, re-  
22                  lating to such awards, or relating to  
23                  such discharges,

24                  “(II) oversight activities by the  
25                  Office of Inspector General of the De-

1           partment of Education as authorized  
2           by the Inspector General Act of 1978,  
3           and

4                   “(III) conducting analyses and  
5                   forecasts for estimating costs related  
6                   to such plans, awards, or discharges.

7                   “(ii) LIMITATION.—The purposes de-  
8                   scribed in clause (i) shall not include the  
9                   conduct of criminal investigations or pros-  
10                  ecutions.

11                  “(iii) REDISCLOSURE TO INSTITU-  
12                  TIONS OF HIGHER EDUCATION, STATE  
13                  HIGHER EDUCATION AGENCIES, AND DES-  
14                  IGNATED SCHOLARSHIP ORGANIZATIONS.—

15                  Authorized persons may redisclose return  
16                  information received under subparagraph  
17                  (C), solely for the use in the application,  
18                  award, and administration of financial aid  
19                  awarded by the Federal government or  
20                  awarded by a person described in sub-  
21                  clause (I), (II), or (III), to the following  
22                  persons:

23                           “(I) An institution of higher edu-  
24                           cation participating in a program  
25                           under subpart 1 of part A, part C, or



1 part D of title IV of the Higher Edu-  
2 cation Act of 1965.

3 “(II) A State higher education  
4 agency.

5 “(III) A scholarship organization  
6 which is an entity designated (prior to  
7 the date of the enactment of this  
8 clause) by the Secretary of Education  
9 under section 483(a)(3)(E) of such  
10 Act.

11 This clause shall only apply to the extent  
12 that the taxpayer with respect to whom the  
13 return information relates provides written  
14 consent for such redisclosure to the Sec-  
15 retary of Education.

16 “(E) AUTHORIZED PERSON.—For pur-  
17 poses of this paragraph, the term ‘authorized  
18 person’ means, with respect to information dis-  
19 closed under subparagraph (A), (B), or (C),  
20 any person who—

21 “(i) is an officer, employee, or con-  
22 tractor, of the Department of Education,  
23 and

24 “(ii) is specifically authorized and des-  
25 ignated by the Secretary of Education for

1 purposes of such subparagraph (applied  
2 separately with respect to each such sub-  
3 paragraph).

4 “(F) JOINT RETURNS.—In the case of a  
5 joint return, any disclosure authorized under  
6 subparagraph (A), (B), or (C) with respect to  
7 an individual shall be treated for purposes of  
8 this paragraph as applying with respect to the  
9 taxpayer.”.

10 (b) CONFIDENTIALITY OF RETURN INFORMATION.—  
11 Section 6103(a)(3) of such Code is amended by inserting  
12 “, (13)” after “(12)”.

13 (c) CONFORMING AMENDMENTS.—

14 (1) Section 6103(p)(3)(A) of such Code is  
15 amended by striking “(13)”.

16 (2) Section 6103(p)(4) of such Code is amend-  
17 ed by inserting “, (13)” after “(l)(10)” each place  
18 it appears.

19 (d) EFFECTIVE DATE.—The amendments made by  
20 this section shall apply to disclosures after the date of the  
21 enactment of this Act.

22 (e) REQUIREMENT TO DESIGNATE THE INSPECTOR  
23 GENERAL OF THE DEPARTMENT OF EDUCATION AS AN  
24 AUTHORIZED PERSON.—The Secretary of Education shall  
25 authorize and designate the Inspector General of the De-

1 partment of Education as an authorized person under sub-  
2 paragraph (E)(ii) of section 6103(l)(13) of the Internal  
3 Revenue Code of 1986 for purposes of subparagraphs (A),  
4 (B), and (C) of such section.

5 (f) REPORT TO TREASURY.—The Secretary of Edu-  
6 cation shall annually submit a written report to the Sec-  
7 retary of the Treasury—

8 (1) regarding redisclosures of return informa-  
9 tion under subparagraph (D)(iii) of section  
10 6103(l)(13) of the Internal Revenue Code of 1986,  
11 including the number of such redisclosures; and

12 (2) regarding any unauthorized use, access, or  
13 disclosure of return information disclosed under such  
14 section.

15 (g) REPORT TO CONGRESS.—The Secretary of the  
16 Treasury (or the Secretary’s designee) shall annually sub-  
17 mit a written report to Congress regarding disclosures  
18 under section 6103(l)(13) of the Internal Revenue Code  
19 of 1986, including information provided to the Secretary  
20 under subsection (f).

21 **SEC. 4. AUTOMATIC RECERTIFICATION OF INCOME.**

22 (a) INCOME-CONTINGENT REPAYMENT.—

23 (1) IN GENERAL.—Section 455(e) of the Higher  
24 Education Act of 1965 (20 U.S.C. 1087e(e)) is  
25 amended by adding at the end the following:

1           “(8) AUTOMATIC RECERTIFICATION.—

2                   “(A) IN GENERAL.—The Secretary shall  
3 establish and implement, with respect to any  
4 borrower described in subparagraph (B), proce-  
5 dures to—

6                           “(i) use return information disclosed  
7 under section 6103(l)(13) of the Internal  
8 Revenue Code of 1986, pursuant to ap-  
9 proval provided under section 494, to de-  
10 termine the repayment obligation of the  
11 borrower without further action by the bor-  
12 rower;

13                           “(ii) allow the borrower (or the spouse  
14 of the borrower), at any time, to opt out  
15 of disclosure under such section  
16 6103(l)(13) and instead provide such infor-  
17 mation as the Secretary may require to de-  
18 termine the repayment obligation of the  
19 borrower (or withdraw from the repayment  
20 plan under this subsection); and

21                           “(iii) provide the borrower with an op-  
22 portunity to update the return information  
23 so disclosed before the determination of the  
24 repayment obligation of the borrower.

1           “(B) APPLICABILITY.—Subparagraph (A)  
2 shall apply to each borrower of a loan made  
3 under this part who, on or after the date on  
4 which the Secretary establishes procedures  
5 under such subparagraph—

6                   “(i) selects, or is required to repay  
7 such loan pursuant to, an income-conti-  
8 gent repayment plan; or

9                   “(ii) recertifies income or family size  
10 under such plan.”.

11           (2) CONFORMING AMENDMENT.—Section  
12 455(e)(6) of the Higher Education Act of 1965 (20  
13 U.S.C. 1087e(e)(6)) is amended—

14                   (A) by striking “including notification of  
15 such borrower” and all that follows through  
16 “that if a borrower” and inserting “including  
17 notification of such borrower, that if a bor-  
18 rower”; and

19                   (B) by striking “as determined using the  
20 information described in subparagraph (A), or  
21 the alternative documentation described in  
22 paragraph (3)”.

23           (b) INCOME-BASED REPAYMENT.—Section 493C(e)  
24 of the Higher Education Act of 1965 (20 U.S.C. 1098e(e))  
25 is amended—

1 (1) by striking “The Secretary shall establish”  
2 and inserting the following:

3 “(1) IN GENERAL.—The Secretary shall estab-  
4 lish”; and

5 (2) by striking “The Secretary shall consider”  
6 and inserting the following:

7 “(2) PROCEDURES FOR ELIGIBILITY.—The Sec-  
8 retary shall—

9 “(A) consider”;

10 (3) by striking “428C(b)(1)(E).” and inserting  
11 the following: “428C(b)(1)(E); and

12 “(B) carry out, with respect to borrowers  
13 of any loan made under part D (other than an  
14 excepted PLUS loan or excepted consolidation  
15 loan), procedures for income-based repayment  
16 plans that are equivalent to the procedures car-  
17 ried out under section 455(e)(8) with respect to  
18 income-contingent repayment plans.”.

19 **SEC. 5. AUTOMATIC INCOME MONITORING PROCEDURES**  
20 **AFTER A TOTAL AND PERMANENT DIS-**  
21 **ABILITY DISCHARGE.**

22 Section 437(a) of the Higher Education Act of 1965  
23 (20 U.S.C. 1087(a)) is amended by adding at the end the  
24 following:

25 “(3) AUTOMATIC INCOME MONITORING.—

1           “(A) IN GENERAL.—The Secretary shall  
2 establish and implement, with respect to any  
3 borrower described in subparagraph (B), proce-  
4 dures to—

5           “(i) use return information disclosed  
6 under section 6103(l)(13) of the Internal  
7 Revenue Code of 1986, pursuant to ap-  
8 proval provided under section 494, to de-  
9 termine the borrower’s continued eligibility  
10 for the loan discharge described in sub-  
11 subparagraph (B);

12           “(ii) allow the borrower, at any time,  
13 to opt out of disclosure under such section  
14 6103(l)(13) and instead provide such infor-  
15 mation as the Secretary may require to de-  
16 termine the borrower’s continued eligibility  
17 for such loan discharge; and

18           “(iii) provide the borrower with an op-  
19 portunity to update the return information  
20 so disclosed before determination of such  
21 borrower’s continued eligibility for such  
22 loan discharge.

23           “(B) APPLICABILITY.—Subparagraph (A)  
24 shall apply—

1                   “(i) to each borrower of a loan that is  
2                   discharged due to the total and permanent  
3                   disability (within the meaning of this sub-  
4                   section) of the borrower; and

5                   “(ii) during the period beginning on  
6                   the date on which such loan is so dis-  
7                   charged and ending on the first day on  
8                   which such loan may no longer be rein-  
9                   stated.”.

10 **SEC. 6. PROCEDURE AND REQUIREMENTS FOR REQUEST-**  
11 **ING TAX RETURN INFORMATION FROM THE**  
12 **INTERNAL REVENUE SERVICE.**

13           (a) IN GENERAL.—Part G of title IV of the Higher  
14 Education Act of 1965 (20 U.S.C. 1088 et seq.) is amend-  
15 ed by adding at the end the following:

16 **“SEC. 494. PROCEDURE AND REQUIREMENTS FOR RE-**  
17 **QUESTING TAX RETURN INFORMATION FROM**  
18 **THE INTERNAL REVENUE SERVICE.**

19           “(a) NOTIFICATION AND APPROVAL REQUIRE-  
20 MENTS.—

21                   “(1) FEDERAL STUDENT FINANCIAL AID.—In  
22                   the case of any written or electronic application  
23                   under section 483 by an individual for Federal stu-  
24                   dent financial aid under a program authorized under  
25                   subpart 1 of part A, part C, or part D, the Sec-



1       retary, with respect to such individual and any par-  
2       ent or spouse whose financial information is required  
3       to be provided on such application, shall—

4               “(A) notify such individuals that—

5                       “(i) if such individuals provide ap-  
6                       proval under subparagraph (B), the Sec-  
7                       retary will have the authority to request  
8                       that the Secretary of the Treasury disclose  
9                       return information of such individuals to  
10                      authorized persons (as defined in section  
11                      6103(l)(13) of the Internal Revenue Code  
12                      of 1986) for the relevant purposes de-  
13                      scribed in such section; and

14                     “(ii) the failure to provide such ap-  
15                     proval for such disclosure will result in the  
16                     Secretary being unable to calculate eligi-  
17                     bility for such aid to such individual; and

18               “(B) require, as a condition of eligibility  
19       for such aid, that such individuals affirmatively  
20       approve the disclosure described in subpara-  
21       graph (A)(i).

22               “(2) INCOME-CONTINGENT AND INCOME-BASED  
23       REPAYMENT.—

24               “(A) NEW APPLICANTS.—In the case of  
25       any written or electronic application by an indi-

1           vidual for an income-contingent or income-  
2           based repayment plan for a loan under part D,  
3           the Secretary, with respect to such individual  
4           and any spouse of such individual, shall—

5                   “(i) provide to such individuals the  
6                   notification described in paragraph  
7                   (1)(A)(i);

8                   “(ii) require, as a condition of eligi-  
9                   bility for such repayment plan, that such  
10                  individuals—

11                   “(I) affirmatively approve the  
12                   disclosure described in paragraph  
13                   (1)(A)(i) and agree that such approval  
14                   shall serve as an ongoing approval of  
15                   such disclosure until the date on  
16                   which the individual elects to opt out  
17                   of such disclosure under section  
18                   455(e)(8) or the equivalent procedures  
19                   established under section  
20                   493C(c)(2)(B), as applicable; or

21                   “(II) provide such information as  
22                   the Secretary may require to confirm  
23                   the eligibility of such individual for  
24                   such repayment plan.

1           “(B) RECERTIFICATIONS.—With respect to  
2           the first written or electronic recertification  
3           (after the date of the enactment of the FU-  
4           TURE Act) of an individual’s income or family  
5           size for purposes of an income-contingent or in-  
6           come-based repayment plan (entered into before  
7           the date of the enactment of the FUTURE  
8           Act) for a loan under part D, the Secretary,  
9           with respect to such individual and any spouse  
10          of such individual, shall meet the requirements  
11          of clauses (i) and (ii) of subparagraph (A) with  
12          respect to such recertification.

13          “(3) TOTAL AND PERMANENT DISABILITY.—In  
14          the case of any written or electronic application by  
15          an individual for a discharge of a loan under this  
16          title based on total and permanent disability (within  
17          the meaning of section 437(a)) that requires income  
18          monitoring, the Secretary shall—

19                 “(A) provide to such individual the notifi-  
20                 cation described in paragraph (1)(A)(i); and

21                 “(B) require, as a condition of eligibility  
22                 for such discharge, that such individual—

23                         “(i) affirmatively approve the disclo-  
24                         sure described in paragraph (1)(A)(i) and  
25                         agree that such approval shall serve as an

1 ongoing approval of such disclosure until  
2 the earlier of—

3 “(I) the date on which the indi-  
4 vidual elects to opt out of such disclo-  
5 sure under section 437(a)(3)(A); or

6 “(II) the first day on which such  
7 loan may no longer be reinstated; or

8 “(ii) provide such information as the  
9 Secretary may require to confirm the eligi-  
10 bility of such individual for such discharge.

11 “(b) LIMIT ON AUTHORITY.—The Secretary shall  
12 only have authority to request that the Secretary of the  
13 Treasury disclose return information under section  
14 6103(l)(13) of the Internal Revenue Code of 1986 with  
15 respect to an individual if the Secretary of Education has  
16 obtained approval under subsection (a) for such disclo-  
17 sure.”.

18 (b) CONFORMING AMENDMENT.—Section 484(q) of  
19 the Higher Education Act of 1965 (20 U.S.C. 1091(q))  
20 is repealed.

21 **SEC. 7. INCREASED FUNDING FOR FEDERAL PELL GRANTS.**

22 Section 401(b)(7)(A)(iv) of the Higher Education Act  
23 of 1965 (20 U.S.C. 1070a(b)(7)(A)(iv)) is amended—

1           (1) in subclause (X), by striking  
2           “\$1,430,000,000” and inserting “\$1,455,000,000”;  
3           and

4           (2) in subclause (XI), by striking  
5           “\$1,145,000,000” and inserting “\$1,170,000,000”.

6 **SEC. 8. REPORTS ON IMPLEMENTATION.**

7           (a) IN GENERAL.—Not later than each specified  
8           date, the Secretary of Education and the Secretary of the  
9           Treasury shall issue joint reports to the Committees on  
10           Health, Education, Labor, and Pensions and Finance of  
11           the Senate and the Committees on Education and Labor  
12           and Ways and Means of the House of Representatives re-  
13           garding the amendments made by this Act. Each such re-  
14           port shall include, as applicable—

15           (1) an update on the status of implementation  
16           of the amendments made by this Act;

17           (2) an evaluation of how such implementation  
18           had affected the processing of applications for Fed-  
19           eral student financial aid, applications for income-  
20           based repayment and income-contingent repayment,  
21           and applications for discharge of loans under title IV  
22           of the Higher Education Act of 1965 (20 U.S.C.  
23           1070 et seq.) based on total and permanent dis-  
24           ability; and

1           (3) implementation issues and suggestions for  
2 potential improvements.

3           (b) SPECIFIED DATE.—For purposes of subsection  
4 (a), the term “specified date” means—

5           (1) the date that is 90 days after the date of  
6 the enactment of this Act;

7           (2) the date that is 120 days after the first day  
8 that the disclosure process established under section  
9 6103(l)(13) of the Internal Revenue Code of 1986,  
10 as amended by section 3(a) of this Act, is oper-  
11 ational and accessible to officers, employees, and  
12 contractors of the Department of Education (as spe-  
13 cifically authorized and designated by the Secretary  
14 of Education); and

15           (3) the date that is 1 year after the report date  
16 described in paragraph (2).

Passed the House of Representatives December 10,  
2019.

Attest:

*Clerk.*



116<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

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**AN ACT**

To reauthorize mandatory funding programs for historically Black colleges and universities and other minority-serving institutions, and for other purposes.