

116TH CONGRESS
1ST SESSION

S. 1346

To amend the Higher Education Act of 1965 to require the Secretary to provide for the use of data from the second preceding tax year to carry out the simplification of applications for the estimation and determination of financial aid eligibility, to increase the income threshold to qualify for a student aid index equal to or less than zero, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 7, 2019

Mr. BOOKER (for himself, Mr. MERKLEY, Ms. CORTEZ MASTO, and Mrs. GILLIBRAND) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to require the Secretary to provide for the use of data from the second preceding tax year to carry out the simplification of applications for the estimation and determination of financial aid eligibility, to increase the income threshold to qualify for a student aid index equal to or less than zero, 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.**

2 This Act may be cited as the “Simplifying Financial
3 Aid for Students Act of 2019”.

4 **SEC. 2. REFERENCES; GENERAL EFFECTIVE DATE.**

5 (a) REFERENCES.—Except as otherwise expressly
6 provided, whenever in this Act there is a reference to, or
7 an amendment or repeal is expressed in terms of an
8 amendment to, or a repeal of, a section or other provision,
9 the reference shall be considered to be made to a section
10 or other provision of the Higher Education Act of 1965
11 (20 U.S.C. 1001 et seq.).

12 (b) GENERAL EFFECTIVE DATE.—Except as other-
13 wise provided in this Act or the amendments made by this
14 Act, this Act and the amendments made by this Act shall
15 be effective with respect to determinations of need under
16 part F of title IV of the Higher Education Act of 1965
17 (20 U.S.C. 1087kk et seq.) for the award year beginning
18 July 1, 2020.

19 **SEC. 3. EARLY ESTIMATES OF AVAILABLE AID.**

20 Section 483(a) (20 U.S.C. 1090(a)) is amended by
21 adding at the end the following:

22 “(13) EVALUATION OF EARLY ESTIMATE
23 TOOLS.—Not later than the award year beginning
24 July 1, 2020, the Secretary shall—

25 “(A) evaluate any early estimate tools au-
26 thorized under paragraph (9); and

1 “(B) identify and implement opportunities
 2 to streamline those tools to align with the provi-
 3 sions under part F.”.

4 **SEC. 4. STUDENT AID INDEX.**

5 (a) CONFORMING AMENDMENTS.—The Act (20
 6 U.S.C. 1001 et seq.) is amended—

7 (1) by striking “an expected family contribu-
 8 tion” each place the term appears and inserting “a
 9 student aid index”;

10 (2) by striking “expected family contributions”
 11 each place the term appears and inserting “student
 12 aid indexes”;

13 (3) by striking “expected family contribution”
 14 each place the term appears and inserting “student
 15 aid index”;

16 (4) in section 474—

17 (A) in the section heading, by striking
 18 “**EXPECTED FAMILY CONTRIBUTION**” and
 19 inserting “**STUDENT AID INDEX**”; and

20 (B) in subsection (a), in the heading, by
 21 striking “**EXPECTED FAMILY CONTRIBUTION**”
 22 and inserting “**STUDENT AID INDEX**”;

23 (5) in section 475—

1 (A) in the section heading, by striking
 2 “**FAMILY CONTRIBUTION**” and inserting
 3 “**STUDENT AID INDEX**”; and

4 (B) in subsection (a), in the heading, by
 5 striking “EXPECTED FAMILY CONTRIBUTION”
 6 and inserting “STUDENT AID INDEX”;

7 (6) in section 476—

8 (A) in the section heading, by striking
 9 “**FAMILY CONTRIBUTION**” and inserting
 10 “**STUDENT AID INDEX**”; and

11 (B) in subsection (a), in the heading, by
 12 striking “EXPECTED FAMILY CONTRIBUTION”
 13 and inserting “STUDENT AID INDEX”;

14 (7) in section 477—

15 (A) in the section heading, by striking
 16 “**FAMILY CONTRIBUTION**” and inserting
 17 “**STUDENT AID INDEX**”; and

18 (B) in subsection (a), in the heading, by
 19 striking “EXPECTED FAMILY CONTRIBUTION”
 20 and inserting “STUDENT AID INDEX”;

21 (8) by striking “family contribution” each place
 22 the term appears and inserting “student aid index”;
 23 and

1 (9) by striking “family contributions” each
 2 place the term appears and inserting “student aid
 3 indexes”.

4 (b) CALCULATION OF NEGATIVE STUDENT AID
 5 INDEX.—The Act (20 U.S.C. 1001 et seq.) is amended—

6 (1) in section 475—

7 (A) in subsection (b), by striking “re-
 8 quested;” and all that follows through the pe-
 9 riod at the end and inserting “requested.”; and

10 (B) in subsection (g)(1), by striking “para-
 11 graph (5);” and all that follows through the pe-
 12 riod at the end and inserting “paragraph (5).”;

13 (2) in section 476(a), by striking “enrollment;”
 14 and all that follows through the period at the end
 15 and inserting “enrollment.”;

16 (3) in section 477(a), by striking “enrollment;”
 17 and all that follows through the period at the end
 18 and inserting “enrollment.”; and

19 (4) in section 479(a)(2)(B), by inserting “whose
 20 student aid index would otherwise be a positive num-
 21 ber using only the elements of the simplified needs
 22 test under subsection (b)(2),” after “requirements of
 23 subsection (c),”.

24 (c) NEGATIVE STUDENT AID INDEX.—Section 471
 25 (20 U.S.C. 1087kk) is amended to read as follows:

1 **“SEC. 471. AMOUNT OF NEED.**

2 “(a) IN GENERAL.—The maximum dollar amount of
3 financial assistance provided under this title to a student
4 shall not exceed the cost of attendance for such student.

5 “(b) NEGATIVE STUDENT AID INDEX.—For pur-
6 poses of determining eligibility for Federal financial aid
7 under this part, any negative student aid index shall be
8 treated as zero.”.

9 **SEC. 5. CALCULATION OF STUDENT AID INDEX.**

10 (a) STUDENT AID INDEX.—Section 473 (20 U.S.C.
11 1087mm) is amended—

12 (1) in the section heading, by striking “**FAM-**
13 **ILY CONTRIBUTION**” and inserting “**STUDENT**
14 **AID INDEX**”; and

15 (2) in subsection (b)—

16 (A) by striking the subsection heading and
17 inserting “STUDENT AID INDEX EQUAL TO OR
18 LESS THAN ZERO”;

19 (B) in paragraph (1), by adding “or (3)”
20 after “paragraph (2)”;

21 (C) in paragraph (2)—

22 (i) by striking the paragraph heading
23 and inserting “CHILDREN OF CERTAIN DE-
24 CEASED VETERANS”;

25 (ii) in each of subparagraphs (B) and
26 (C), by redesignating clauses (i) and (ii) as

1 subclauses (I) and (II), respectively and
 2 adjusting the margins accordingly;

3 (iii) by redesignating subparagraphs
 4 (A), (B), and (C), as clauses (i), (ii), and
 5 (iii), respectively; and

6 (iv) by striking “Paragraph (1) shall”
 7 and inserting the following:

8 “(A) APPLICABILITY.—Paragraph (1)
 9 shall”;

10 (D) in paragraph (3)—

11 (i) in subparagraph (A), by striking
 12 “subparagraphs (A), (B)(i), and (C) of
 13 paragraph (2)” and inserting “clause (i),
 14 (ii)(I), and (iii) of subparagraph (A)”;

15 (ii) in subparagraph (B)—

16 (I) by striking “subparagraphs
 17 (A), (B)(ii), and (C) of paragraph
 18 (2)” and inserting “clause (i), (ii)(II),
 19 and (iii) of subparagraph (A)”;

20 (II) by redesignating clauses (i)
 21 through (iii) as subclauses (I) through
 22 (III), respectively, and adjusting the
 23 margins accordingly; and

24 (III) by redesignating subpara-
 25 graphs (A) and (B) as clauses (i) and

1 (ii), respectively, and adjusting the
2 margins accordingly;

3 (E) by redesignating paragraph (3) as sub-
4 paragraph (B) of paragraph (2), and adjusting
5 the margins accordingly;

6 (F) by redesignating paragraphs (4) and
7 (5) as paragraphs (5) and (6), respectively; and

8 (G) by inserting after paragraph (2)(B), as
9 redesignated by subparagraph (E), the fol-
10 lowing:

11 “(3) RECIPIENTS OF CERTAIN MEANS-TESTED
12 BENEFITS.—

13 “(A) IN GENERAL.—Paragraph (1) shall
14 apply to a student if—

15 “(i) that student is a dependent stu-
16 dent whose parent participated in a means-
17 tested benefits program at any time during
18 the period encompassed from the beginning
19 of the second prior calendar year through
20 the date of filing; or

21 “(ii) that student is independent and
22 the student or spouse of that student par-
23 ticipated in a means-tested benefits pro-
24 gram at any time during the period encom-
25 passed from the beginning of the second

1 prior calendar year through the date of fil-
2 ing.

3 “(B) MEANS-TESTED BENEFITS PRO-
4 GRAM.—In this paragraph, the term ‘means-
5 tested Federal benefits program’ means—

6 “(i) the supplemental security income
7 program under title XVI of the Social Se-
8 curity Act (42 U.S.C. 1381 et seq.);

9 “(ii) the supplemental nutrition assist-
10 ance program established under the Food
11 and Nutrition Act of 2008 (7 U.S.C. 2011
12 et seq.);

13 “(iii) the Medicaid program under
14 title XIX of the Social Security Act (42
15 U.S.C. 1396 et seq.);

16 “(iv) the free and reduced price school
17 lunch program established under the Rich-
18 ard B. Russell National School Lunch Act
19 (42 U.S.C. 1751 et seq.);

20 “(v) a State program funded under
21 the temporary assistance for needy families
22 program under part A of title IV of the
23 Social Security Act (42 U.S.C. 601 et
24 seq.);

1 “(vi) the special supplemental nutri-
 2 tion program for women, infants, and chil-
 3 dren established by section 17 of the Child
 4 Nutrition Act of 1966 (42 U.S.C. 1786);
 5 and

6 “(vii) any other program determined
 7 by the Secretary to be appropriate based
 8 on—

9 “(I) the reliability under which
 10 the need for benefits from the pro-
 11 gram is established; and

12 “(II) the feasibility of data link-
 13 ages.

14 “(4) DETERMINATION FOR STATE AND INSTI-
 15 TUTIONAL AID.—For each student whose student aid
 16 index is deemed to be zero under paragraph (1), the
 17 Secretary shall also calculate the student aid index
 18 for the student, using the simplified version of the
 19 Free Application for Federal Student Aid form in
 20 accordance with section 479, to identify students
 21 who have a negative student aid index and may be
 22 eligible for additional State or institutional aid.”.

23 (b) SIMPLIFIED NEEDS TEST.—Section 479 (20
 24 U.S.C. 1087ss) is amended to read as follows:

1 **“SEC. 479. SIMPLIFIED NEEDS TESTS.**

2 “(a) SIMPLIFIED APPLICATION SECTION.—

3 “(1) IN GENERAL.—The Secretary shall develop
4 and use a simplified version of the Free Application
5 for Federal Student Aid form prescribed under sec-
6 tion 483(a) for families described in subsections (b)
7 and (c) of this section.

8 “(2) REDUCED DATA REQUIREMENTS.—The
9 simplified version shall—

10 “(A) in the case of a family meeting the
11 requirements of subsection (b)(1), permit such
12 family to submit only the data elements re-
13 quired under subsection (b)(2) for the purposes
14 of establishing eligibility for student financial
15 aid under this part; and

16 “(B) in the case of a family meeting the
17 requirements of subsection (c), permit such
18 family to be treated as having a student aid
19 index equal to or less than zero for purposes of
20 establishing such eligibility and to submit only
21 the data elements required to make a deter-
22 mination under subsection (c).

23 “(b) SIMPLIFIED NEEDS TEST.—

24 “(1) ELIGIBILITY.—An applicant is eligible to
25 file a simplified version containing the elements re-
26 quired by paragraph (2) if—

1 “(A) in the case of an applicant who is a
2 dependent student—

3 “(i) the student’s parents include at
4 least one parent who is a dislocated work-
5 er; and

6 “(ii) the total adjusted gross income
7 of the parents (excluding any income of
8 the dependent student) is less than
9 \$50,000; or

10 “(B) in the case of an applicant who is an
11 independent student—

12 “(i) the student (and the student’s
13 spouse, if any) is a dislocated worker or
14 has a spouse who is a dislocated worker;
15 and

16 “(ii) the adjusted gross income of the
17 student (and the student’s spouse, if any)
18 is less than \$50,000.

19 “(2) SIMPLIFIED TEST ELEMENTS.—The six
20 elements to be used for the simplified needs analysis
21 are—

22 “(A) adjusted gross income,

23 “(B) Federal taxes paid,

24 “(C) untaxed income and benefits,

25 “(D) the number of family members,

1 “(E) the number of family members in
2 postsecondary education, and

3 “(F) an allowance (A) for State and other
4 taxes, as defined in section 475(c)(2) for de-
5 pendent students and in section 477(b)(2) for
6 independent students with dependents other
7 than a spouse, or (B) for State and other in-
8 come taxes, as defined in section 476(b)(2) for
9 independent students without dependents other
10 than a spouse.

11 “(3) QUALIFYING FORMS.—In the case of an
12 independent student, the student, or in the case of
13 a dependent student, the family, files a form de-
14 scribed in this subsection, or subsection (c), as the
15 case may be, if the student or family, as appro-
16 priate, files—

17 “(A) a form 1040 (including any prepared
18 or electronic version of such form) required
19 pursuant to the Internal Revenue Code of 1986;
20 or

21 “(B) an income tax return (including any
22 prepared or electronic version of such return)
23 required pursuant to the tax code of the Com-
24 monwealth of Puerto Rico, Guam, American
25 Samoa, the Virgin Islands, the Republic of the

1 Marshall Islands, the Federated States of Mi-
2 cronesia, or Palau.

3 “(c) STUDENT AID INDEX EQUAL TO OR LESS THAN
4 ZERO.—

5 “(1) IN GENERAL.—The Secretary shall con-
6 sider an applicant to have a student aid index equal
7 to or less than zero if—

8 “(A) in the case of a dependent student—

9 “(i) the student’s parents—

10 “(I) certify that the parents are
11 not required to file a Federal income
12 tax return; and

13 “(II) include at least one parent
14 who is a dislocated worker; or

15 “(ii) the sum of the adjusted gross
16 annual income of the parents is less than
17 or equal to \$36,000;

18 “(B) in the case of an independent student
19 with dependents other than a spouse—

20 “(i) the student (and the student’s
21 spouse, if any)—

22 “(I) certifies that the student
23 (and the student’s spouse, if any) is
24 not required to file a Federal income
25 tax return; and

1 “(II) is a dislocated worker or
2 has a spouse who is a dislocated work-
3 er; or

4 “(ii) the sum of the adjusted gross
5 annual income of the student and spouse
6 (if appropriate) is less than or equal to
7 \$36,000; or

8 “(C) in the case of an independent stu-
9 dents without dependents—

10 “(i) the student—

11 “(I) certifies that the student is
12 not required to file a Federal income
13 tax return; and

14 “(II) is a dislocated worker; or

15 “(ii) the sum of the adjusted gross
16 annual income of the student is less than
17 or equal to \$23,000.

18 “(2) ELIGIBILITY.—An individual is not re-
19 quired to qualify or file for the earned income credit
20 in order to be eligible under this subsection. The
21 Secretary shall annually adjust the income level nec-
22 essary to qualify an applicant for the student aid
23 index of equal to or less than zero. The income level
24 shall be adjusted by a percentage equal to increases
25 in the Consumer Price Index between the calendar

1 year preceding the beginning of such academic year,
 2 and the second preceding year, rounding the result
 3 to the nearest \$1,000.

4 “(d) DISLOCATED WORKER.—In this section, the
 5 term ‘dislocated worker’ has the meaning given the term
 6 in section 3 of the Workforce Innovation and Opportunity
 7 Act.”.

8 **SEC. 6. FAFSA SIMPLIFICATION.**

9 (a) FAFSA SIMPLIFICATION.—Section 483(f) (20
 10 U.S.C. 1090(f)) is amended to read as follows:

11 “(f) REDUCTION OF INCOME AND ASSET INFORMA-
 12 TION TO DETERMINE ELIGIBILITY FOR STUDENT FINAN-
 13 CIAL AID.—

14 “(1) USE OF INTERNAL REVENUE SERVICE
 15 DATA TO POPULATE FAFSA.—The Secretary shall—

16 “(A) make every effort to make available
 17 and allow applicants to utilize the data that is
 18 available to the Secretary pursuant to section
 19 6103(l)(13) of the Internal Revenue Code of
 20 1986 to reduce the amount of original data
 21 entry by applicants and strengthen the reli-
 22 ability of data used to calculate a student aid
 23 index to—

24 “(i) allow an applicant to automati-
 25 cally populate the electronic version of the

1 forms under this section with data avail-
2 able from the Internal Revenue Service;

3 “(ii) direct an applicant to appro-
4 priate questions on such forms based on
5 the applicant’s answers to previous ques-
6 tions;

7 “(iii) identify the type of form filed
8 and whether certain forms or schedules, as
9 identified by the Secretary, were filed with
10 Federal form 1040;

11 “(iv) transfer all applicable schedule
12 information; and

13 “(v) allow an applicant to verify that
14 the applicant or the family of the applicant
15 did not file a Federal tax return without
16 additional action on the part of the stu-
17 dent; and

18 “(B) allow single taxpayers, married tax-
19 payers filing jointly, and married taxpayers fil-
20 ing separately to utilize such data retrieval tool
21 to its full capacity.

22 “(2) STRENGTHENING THE IRS DATA.—The
23 Secretary shall work with the Secretary of the
24 Treasury to expand the capabilities of transferring
25 relevant Internal Revenue Service data by—

1 “(A) incorporating all fields from Federal
2 tax returns and W-2 forms relevant to need
3 analysis; and

4 “(B) incorporating line items from forms
5 and schedules identified by the Secretary.

6 “(3) CROSS AGENCY LINKAGES.—

7 “(A) IN GENERAL.—The Secretary, in co-
8 ordination with the head of each agency that
9 administers a specified means-tested Federal
10 benefits program (as defined in section
11 473(b)(3)), shall examine how the agency can
12 verify an applicant or an applicant’s family’s re-
13 ceipt of specified means-tested Federal benefits
14 in order to compute a student aid index for low-
15 income students in order to simplify, for stu-
16 dents, the application process for student finan-
17 cial assistance.

18 “(B) CONNECTION TO OTHER MEANS
19 TESTED BENEFITS.—The Secretary shall enter
20 into data sharing agreements, as necessary, to
21 enable the sharing of FAFSA data for the pur-
22 pose of conducting outreach regarding, and con-
23 necting students to, State or Federal means-
24 tested benefits programs (including means-test-
25 ed Federal benefits programs as defined in sec-

tion 473(b)(3)) for which the students may be eligible and for which, if eligible, could reduce the applicant's need to borrow or work during college.

“(C) AUTOMATIC MAXIMUM FEDERAL PELL GRANT.—The Secretary shall ensure that a student who is described in section 473(b)(3) or whose income or family income is less than \$36,000 at any point during the 24-month period preceding the date of the determination, is a full-time student, and submits a form under this section, shall receive a maximum Federal Pell Grant and a determination of a student aid index of equal to or less than zero without additional action on the part of the student or the family of the student.

“(D) PART-TIME STUDENTS.—The Secretary shall ensure that a part-time student who is described in section 473(b)(3) and submits a form under this section shall receive a determination of a student aid index of equal to or less than zero.

“(4) PROHIBITION AGAINST REQUESTING INFORMATION MORE THAN ONCE.—Any information requested during the process of creating an account

1 for completing the web-based free application under
2 this subsection, shall not be required a second time
3 for the same award year, or in a duplicative manner,
4 when completing such web-based free application.

5 “(5) CHANGE IN FAMILY SIZE.—The Secretary
6 shall provide a process by which an applicant shall
7 confirm the accuracy of family size or may update
8 the family size with respect to such applicant for
9 purposes of determining the need of such applicant
10 for financial assistance under this title based on a
11 change in family size from the tax year data used
12 for such determination.

13 “(6) REPORT.—The Secretary shall report to
14 Congress annually on the Department’s progress in
15 maintaining and expanding the Internal Revenue
16 Service data retrieval tool and in establishing cross
17 agency linkages, as described in this subsection, and
18 simultaneously make such reports publicly avail-
19 able.”.

20 (b) MOBILE USE.—Section 483(a)(3) (20 U.S.C.
21 1090(a)(3)) is amended by adding at the end the fol-
22 lowing:

23 “(I) MOBILE DEVICE FORMAT.—The Sec-
24 retary shall make the electronic version of the
25 forms under this paragraph available through a

1 technology tool that can be used on mobile de-
2 vices. Such technology tool shall, at a minimum,
3 enable applicants to—

4 “(i) save data; and

5 “(ii) submit the electronic version of
6 the forms under this paragraph to the Sec-
7 retary through such tool.”.

8 (c) LANGUAGES FOR FAFSA.—Section 483 (20
9 U.S.C. 1090 et seq.) is amended by adding at the end
10 the following:

11 “(i) LANGUAGES FOR FAFSA.—The Secretary, in
12 conjunction with the Director of the Census Bureau, shall
13 determine the most common languages spoken at home
14 in the United States and shall develop versions of the
15 FAFSA form in each of those languages.”.

16 (d) OUTREACH BY FINANCIAL AID ADVISORS.—Sec-
17 tion 483 (20 U.S.C. 1090 et seq.), as amended by sub-
18 section (c), is further amended by adding at the end the
19 following:

20 “(j) OUTREACH BY FINANCIAL AID ADVISORS.—An
21 institution of higher education may use information pro-
22 vided on a FAFSA to reach out to and counsel a student
23 on the student’s eligibility for means-tested benefits in
24 which the student is not enrolled and outside scholarships
25 for which a student is eligible.”.

1 **SEC. 7. PRIOR-PRIOR YEAR AND DEFINITIONS OF TOTAL IN-**
 2 **COME AND ASSETS.**

3 (a) TOTAL INCOME.—Section 480(a)(1) (20 U.S.C.
 4 1087vv(a)(1)) is amended to read as follows:

5 “(1) IN GENERAL.—

6 “(A) DETERMINATION.—Except as pro-
 7 vided in paragraph (2), the term ‘total income’
 8 is equal to—

9 “(i) in the case of an individual who
 10 has not filed, and is not required to file,
 11 any Federal tax return or in the case of a
 12 qualified recipient of a means-tested Fed-
 13 eral benefits program, as defined in section
 14 473(b)(3)(B), earned income for the sec-
 15 ond preceding tax year minus excludable
 16 income (as defined in subsection (e)); and

17 “(ii) in the case of an individual who
 18 filed a Federal tax return or in the case of
 19 an individual who filed a foreign tax return
 20 in lieu of a Federal tax return, adjusted
 21 gross income from applicable schedule plus
 22 untaxed income and benefits for the second
 23 preceding fiscal tax year minus excludable
 24 income (as defined in subsection (e)).

25 “(B) USE OF DATA.—Notwithstanding sec-
 26 tion 478(a), the Secretary shall provide for the

1 use of data from the second preceding tax year
 2 when and to the extent necessary to carry out
 3 the simplification of applications (including sim-
 4 plification for a subset of applications) used for
 5 the estimation and determination of financial
 6 aid eligibility. Such simplification shall include
 7 the sharing of data between the Internal Rev-
 8 enue Service and the Department, pursuant to
 9 the consent of the taxpayer.”.

10 (b) CONFORMING AMENDMENT.—Section 480(a) (20
 11 U.S.C. 1087vv(a)) is amended—

12 (1) by moving paragraph (2) two ems to the
 13 right; and

14 (2) in paragraph (2), by striking “No portion”
 15 and inserting the following: “AMOUNTS NOT IN-
 16 CLUDED.—No portion”.

17 (c) UNTAXED INCOME AND BENEFITS.—Section
 18 480(b) (20 U.S.C. 1087vv(b)) is amended to read as fol-
 19 lows:

20 “(b) UNTAXED INCOME AND BENEFITS.—The term
 21 ‘untaxed income and benefits’ means—

22 “(1) the aggregate amount of losses taken into
 23 account for determining adjusted gross income on
 24 Federal form 1040 and applicable schedules;

1 “(2) the amount of any tax-exempt interest in-
2 come reported on Federal form 1040; and

3 “(3) amounts of foreign income excluded from
4 adjusted gross income and reported on Federal form
5 2555.”.

6 (d) EXCLUDABLE INCOME.—Section 480(e) (20
7 U.S.C. 1087vv(e)) is amended to read as follows:

8 “(e) The term ‘excludable income’ means—

9 “(1) any student financial assistance awarded
10 based on need as determined in accordance with the
11 provisions of this part, including any income earned
12 from work under part C of this title; and

13 “(2) payments made and services provided
14 under part E of title IV of the Social Security Act
15 (42 U.S.C. 670 et seq.) to or on behalf of any child
16 or youth over whom the State agency has responsi-
17 bility for placement, care, or supervision, including
18 the value of vouchers for education and training and
19 amounts expended for room and board for youth
20 who are not in foster care but are receiving services
21 under section 477 of such Act (42 U.S.C. 677).”.

22 (e) ASSETS.—Section 480(f)(1) (20 U.S.C.
23 1087vv(f)(1)) is amended by striking “The term” and all
24 that follows through the period at the end and inserting
25 the following:

1 “(A) In determining the value of assets in
2 a determination of need under this title in the
3 case of an individual who has not filed, and is
4 not required to file, any Federal tax return or
5 in the case of a qualified recipient of a means-
6 tested Federal benefits program, as defined in
7 section 473(b)(3)(B), the individual’s assets
8 shall be considered to be equal to zero.

9 “(B) In the case of an individual who filed
10 a form 1040 with forms or schedules, the term
11 assets means amounts held in money market
12 savings accounts or funds, capital gains, prize
13 or award money, gambling winnings, time de-
14 posits, trusts, stocks, bonds, other securities,
15 mutual funds, tax shelters, business income,
16 rental real estate, royalties, partnerships, S cor-
17 porations, qualified education benefits (except
18 as provided in paragraph (3)), and the net
19 value of real estate, income producing property,
20 and business and farm assets, excluding the
21 primary home.”.

22 (f) SPECIAL COMBAT PAY.—Section 480 (20 U.S.C.

23 1087vv) is amended—

24 (1) in subsection (j), by striking paragraph (4);

25 and

1 (2) by striking subsection (n).

2 **SEC. 8. ELIMINATING UNNECESSARY AND BURDENSOME**
 3 **QUESTIONS.**

4 Section 483(a) (20 U.S.C. 1090(a)), as amended by
 5 section 3, is further amended by adding at the end the
 6 following:

7 “(14) PROHIBITION OF UNNECESSARY AND
 8 BURDENSOME QUESTIONS.—Notwithstanding any
 9 other provision of law, the Secretary shall not in-
 10 clude on any form developed under this section a
 11 question about the applicant’s criminal history, reg-
 12 istration for selective service, student taxable earn-
 13 ings from need-based employment like work study,
 14 student combat pay, student cooperative education
 15 program earnings, student IRA deductions, student
 16 tax exempt interest income, student untaxed por-
 17 tions of IRA distributions, student untaxed portions
 18 of pensions, student military or clergy living allow-
 19 ances, student veteran noneducation benefits, stu-
 20 dent other untaxed income, parent child support
 21 paid, child support received, parent taxable earnings
 22 from need-based employment like work-study, parent
 23 college grant or scholarship aid reported to the In-
 24 ternal Revenue Service, parent combat pay, parent
 25 cooperative education program earnings, parent IRA

1 deductions, parent tax exempt interest income, par-
 2 ent untaxed portions of pensions, parent military or
 3 clergy living allowances, parent veteran noneducation
 4 benefits, or parent other untaxed income.”.

5 **SEC. 9. EXCEPTION TO REQUIRED REGISTRATION WITH SE-**
 6 **LECTIVE SERVICE SYSTEM; DEPARTMENT OF**
 7 **EDUCATION DATA MATCHING.**

8 (a) STUDENT ELIGIBILITY.—Subsection (n) of sec-
 9 tion 484 (20 U.S.C. 1091) is repealed.

10 (b) REPEAL OF INELIGIBILITY FOR CERTAIN ASSIST-
 11 ANCE FOR FAILURE TO REGISTER WITH SYSTEM.—Sec-
 12 tion 12 of the Military Selective Service Act (50 U.S.C.
 13 3811) is amended—

14 (1) by striking subsection (f); and

15 (2) by redesignating subsection (g) as sub-
 16 section (f).

17 **SEC. 10. REPEAL OF SUSPENSION OF ELIGIBILITY FOR**
 18 **DRUG-RELATED OFFENSES; NOTICE CON-**
 19 **CERNING PENALTIES FOR DRUG VIOLA-**
 20 **TIONS.**

21 (a) REPEAL.—Subsection (r) of section 484 (20
 22 U.S.C. 1091(r)) is repealed.

23 (b) CONFORMING AMENDMENTS.—The Act is amend-
 24 ed—

1 (1) in section 428(b)(3) (20 U.S.C.
2 1078(b)(3))—

3 (A) in subparagraph (C), by striking
4 “485(l)” and inserting “485(k)”; and

5 (B) in subparagraph (D), by striking
6 “485(l)” and inserting “485(k)”; and

7 (2) in section 435(d)(5) (20 U.S.C.
8 1085(d)(5))—

9 (A) in subparagraph (E), by striking
10 “485(l)” and inserting “485(k)”; and

11 (B) in subparagraph (F), by striking
12 “485(l)” and inserting “485(k)”; and

13 (3) in section 485 (20 U.S.C. 1092)—

14 (A) by striking subsection (k); and

15 (B) by redesignating subsections (l) and
16 (m) as subsections (k) and (l), respectively; and

17 (4) in section 487(e)(2)(B)(ii)(IV) (20 U.S.C.
18 1094(e)(2)(B)(ii)(IV)), by striking “(l) of section
19 485” and inserting “(k) of section 485”.

20 **SEC. 11. IMPROVING FINANCIAL AID FOR HOMELESS AND**
21 **FOSTER CARE CHILDREN AND YOUTH.**

22 (a) INDEPENDENT STUDENT.—Section 480(d)(1)(H)
23 (20 U.S.C. 1087vv(d)(1)(H)) is amended—

24 (1) in the matter preceding clause (i)—

1 (A) by striking “during the school year in
2 which the application is submitted”;

3 (B) by inserting “age 23 or younger” after
4 “unaccompanied youth”; and

5 (C) by striking “terms are” and inserting
6 “term is”;

7 (2) in clause (i), by inserting “, or a designee
8 of the liaison” after “Act”;

9 (3) in clause (ii), by striking “a program fund-
10 ed under the Runaway and Homeless Youth Act”
11 and inserting “an emergency or transitional shelter,
12 street outreach program, homeless youth drop-in
13 center, or other program serving homeless youth,”;
14 and

15 (4) in clause (iii), by striking “program funded
16 under subtitle B of title IV of the McKinney-Vento
17 Homeless Assistance Act (relating to emergency
18 shelter grants)” and inserting “Federal TRIO pro-
19 gram or a Gaining Early Awareness and Readiness
20 for Undergraduate program under chapter 1 or 2 of
21 subpart 2 of part A,”.

22 (b) FOSTER CARE CHILDREN AND YOUTH.—Section
23 103 (20 U.S.C. 1003) is amended—

1 (1) by redesignating paragraphs (10) through
2 (24) as paragraphs (11) through (25), respectively;
3 and

4 (2) by inserting after paragraph (9) the fol-
5 lowing:

6 “(10) FOSTER CARE CHILDREN AND YOUTH.—
7 The term ‘foster care children and youth’—

8 “(A) means children and youth whose care
9 and placement are the responsibility of the
10 State or Tribal agency that administers a State
11 or Tribal plan under part B or E of title IV of
12 the Social Security Act (42 U.S.C. 621 et seq.
13 and 670 et seq.), without regard to whether fos-
14 ter care maintenance payments are made under
15 section 472 of such Act (42 U.S.C. 672) on be-
16 half of such children and youth; and

17 “(B) includes individuals who were age 13
18 or older when their care and placement were
19 the responsibility of a State or Tribal agency
20 that administered a State or Tribal plan under
21 part B or E of title IV of the Social Security
22 Act (42 U.S.C. 621 et seq. and 670 et seq.)
23 and who are no longer under the care and re-
24 sponsibility of such a State or Tribal agency,
25 without regard to any such individual’s subse-

1 quent adoption, guardianship arrangement, or
 2 other form of permanency outcome.”.

3 (c) STREAMLINING DETERMINATIONS AND
 4 VERIFICATION.—Section 480(d) (20 U.S.C. 1087vv(d)) is
 5 amended by adding at the end the following:

6 “(3) SIMPLIFYING THE DETERMINATION PROC-
 7 ESS FOR UNACCOMPANIED YOUTH.—

8 “(A) VERIFICATION.—A financial aid ad-
 9 ministrator shall accept a determination of
 10 independence made by any individual author-
 11 ized to make such determinations under clause
 12 (i), (ii), or (iii) of paragraph (1)(H) in the ab-
 13 sence of conflicting information. A documented
 14 phone call with, or a written statement from,
 15 one of the authorized individuals is sufficient
 16 verification when needed. For purposes of this
 17 paragraph, a financial aid administrator’s dis-
 18 agreement with the determination made by an
 19 authorized individual shall not be considered
 20 conflicting information.

21 “(B) DETERMINATION OF INDEPEND-
 22 ENCE.—A financial aid administrator shall
 23 make a determination of independence under
 24 paragraph (1)(H) if a student does not have,
 25 and cannot get, documentation from any of the

other designated authorities described in such paragraph. Such a determination shall be—

“(i) based on the definitions outlined in paragraph (1)(H);

“(ii) distinct from a determination of independence under paragraph (1)(I);

“(iii) based on a documented interview with the student; and

“(iv) limited to whether the student meets the definitions in paragraph (1)(H) and not about the reasons for the student’s homelessness.

“(C) ADDITIONAL STREAMLINING PERMITTED.—Nothing in this paragraph prohibits an institution from implementing policies that—

“(i) streamline the determination of independence under paragraph (1)(H); and

“(ii) improve a student’s access to financial aid because that student is an unaccompanied youth.

“(4) SIMPLIFYING THE VERIFICATION PROCESS FOR FOSTER CARE YOUTH.—

“(A) VERIFICATION OF INDEPENDENCE.—

If an institution requires documentation to verify that a student is independent based on a

1 status described in paragraph (1)(B), a finan-
2 cial aid administrator shall consider any of the
3 following as adequate verification:

4 “(i) Submission of a court order or of-
5 ficial State documentation that the student
6 received Federal or State support in foster
7 care.

8 “(ii) A documented phone call with,
9 written statement from, or verifiable elec-
10 tronic data match with—

11 “(I) a child welfare agency au-
12 thorized by a State or county;

13 “(II) a Tribal child welfare au-
14 thority;

15 “(III) an independent living case
16 worker;

17 “(IV) a public or private foster
18 care placing agency or foster care fa-
19 cility or placement;

20 “(V) another program serving or-
21 phans, foster care youth, or wards of
22 the court; or

23 “(VI) a probation officer.

24 “(iii) A documented phone call with,
25 or a written statement from, an attorney,

1 a guardian ad litem, or a court appointed
 2 special advocate, documenting that per-
 3 son’s relationship to the student.

4 “(iv) A documented phone call with,
 5 or a written statement from, a representa-
 6 tive of a Federal TRIO program or a
 7 Gaining Early Awareness and Readiness
 8 for Undergraduate Program under chapter
 9 1 or 2 of subpart 2 of part A.

10 “(v) Verification of the student’s eligi-
 11 bility for an education and training vouch-
 12 er under the John H. Chafee Foster Care
 13 Independence Program under section 477
 14 of the Social Security Act (42 U.S.C. 677).

15 “(vi) Submission of a copy of the stu-
 16 dent’s biological or adoptive parents’ or
 17 legal guardians’—

18 “(I) certificates of death; or

19 “(II) verifiable obituaries.

20 “(vii) An attestation from the student,
 21 which includes a description of why the
 22 student may qualify for a status described
 23 in paragraph (1)(B), including the approxi-
 24 mate dates that the student was an or-
 25 phan, in foster care, or a ward of the

1 court, to the best of the student's knowl-
 2 edge after making reasonable efforts to
 3 provide any requested documentation.

4 “(B) ADDITIONAL STREAMLINING PER-
 5 MITTED.—Nothing in this paragraph prohibits
 6 an institution from implementing policies that
 7 streamline the determination of independent
 8 status and improve a student's access to finan-
 9 cial aid because that student is an orphan, in
 10 foster care, or a ward of the court, or was an
 11 orphan, in foster care, or a ward of the court
 12 at any time when the student was 13 years of
 13 age or older.

14 “(5) TIMING; USE OF EARLIER DETERMINA-
 15 TION.—

16 “(A) TIMING.—A determination under
 17 subparagraph (B) or (H) of paragraph (1) for
 18 a student—

19 “(i) shall be made as quickly as prac-
 20 ticable;

21 “(ii) may be made as early as the year
 22 before the award year for which the stu-
 23 dent initially submits an application; and

1 “(iii) shall be made no later than dur-
 2 ing the award year for which the student
 3 initially submits an application.

4 “(B) USE OF EARLIER DETERMINATION.—
 5 Any student who is determined to be inde-
 6 pendent under subparagraph (B) or (H) of
 7 paragraph (1) for a preceding award year at an
 8 institution shall be presumed to be independent
 9 for each subsequent award year at the same in-
 10 stitution unless—

11 “(i) the student informs the institu-
 12 tion that circumstances have changed; or

13 “(ii) the institution has specific con-
 14 flicting information about the student’s
 15 independence, and has informed the stu-
 16 dent of this information and the oppor-
 17 tunity to challenge such information
 18 through a documented interview or an im-
 19 partial review by the Student Loan Om-
 20 budsman pursuant to section 141(f)(3).

21 “(6) RETENTION OF DOCUMENTS.—A financial
 22 aid administrator shall retain all documents related
 23 to the determination of independence under subpara-
 24 graph (B) or (H) of paragraph (1), including docu-
 25 mented interviews, for the duration of the student’s

1 enrollment at the institution and for a minimum of
 2 1 year after the student is no longer enrolled at the
 3 institution.”.

4 (d) CONSOLIDATING QUESTIONS REGARDING HOME-
 5 LESS STATUS ON THE FAFSA.—Section 483(a)(4) (20
 6 U.S.C. 1090(a)(4)) is amended by adding at the end the
 7 following:

8 “(C) SINGLE QUESTION REGARDING
 9 HOMELESS STATUS.—The Secretary shall en-
 10 sure that, on each form developed under this
 11 section for which the information is applicable,
 12 there is a single, easily understood screening
 13 question to identify an applicant for aid who
 14 is—

15 “(i) an unaccompanied homeless child
 16 or youth (as such term is defined in sec-
 17 tion 725 of the McKinney-Vento Homeless
 18 Assistance Act); or

19 “(ii) an unaccompanied youth who is
 20 self-supporting and at risk of homeless-
 21 ness.”.

22 (e) DATA TRANSPARENCY ON THE NUMBER OF FI-
 23 NANCIAL AID APPLICANTS.—Section 483 (20 U.S.C.
 24 1090), as amended by section 6, is further amended by
 25 adding at the end the following:

1 “(k) DATA TRANSPARENCY ON THE NUMBER OF AP-
2 PLICANTS.—

3 “(1) IN GENERAL.—The Secretary shall annu-
4 ally publish data on the number of individuals who
5 apply for Federal student aid pursuant to this sec-
6 tion who are homeless individuals described in sec-
7 tion 725 of the McKinney-Vento Homeless Assist-
8 ance Act (42 U.S.C. 11434a), including unaccom-
9 panied youth, and foster care youth.

10 “(2) CONTENTS.—The data described in para-
11 graph (1) with respect to homeless individuals shall
12 include, at a minimum, for each application cycle—

13 “(A) the total number of all applicants
14 who were determined to be (or to be at risk of
15 becoming) unaccompanied homeless youth,
16 under section 480(d)(1)(H);

17 “(B) the number of applicants described in
18 subparagraph (A), disaggregated—

19 “(i) by State; and

20 “(ii) by the sources of determination
21 as described in clauses (i) through (iv) of
22 section 480(d)(1)(H); and

23 “(C) the number of undetermined requests
24 for homelessness consideration, including
25 statuses that remain unknown because no de-

1 termination had been made in response the ap-
 2 plicant’s request for the institution to consider
 3 the applicant’s special circumstance of being
 4 homeless.”.

5 **SEC. 12. ELIGIBILITY FOR DREAMERS, TEMPORARY PRO-**
 6 **TECTED STATUS BENEFICIARIES, AND DE-**
 7 **FERRED ENFORCED DEPARTURE GRANTEES.**

8 Section 484 (20 U.S.C. 1091), as amended by sec-
 9 tions 9 and 10, is further amended—

10 (1) in subsection (a)(5), by inserting “or be a
 11 Dreamer student or a temporary protected status or
 12 deferred enforced departure student” after “becom-
 13 ing a citizen or permanent resident”; and

14 (2) by inserting after subsection (q) the fol-
 15 lowing:

16 “(r) **DEFINITIONS FOR DREAMER STUDENTS AND**
 17 **TEMPORARY PROTECTED STATUS OR DEFERRED EN-**
 18 **FORCEMENT DEPARTURE STUDENTS.**—In this section:

19 “(1) **DREAMER STUDENTS.**—

20 “(A) **IN GENERAL.**—The term ‘Dreamer
 21 student’ means an alien (as defined in section
 22 101(a) of the Immigration and Nationality Act
 23 (8 U.S.C. 1101(a))) who—

24 “(i) has been continuously physically
 25 present in the United States for not less

1 than the 4-year period preceding the date
2 of enactment of the Simplifying Financial
3 Aid for Students Act of 2019;

4 “(ii) was younger than 18 years of
5 age on the date on which the alien initially
6 entered the United States;

7 “(iii)(I) has been admitted to an insti-
8 tution of higher education;

9 “(II) in the United States, has—

10 “(aa) earned a high school di-
11 ploma or a commensurate alternative
12 award from a public or private high
13 school;

14 “(bb) obtained a General Edu-
15 cational Development credential, or
16 other equivalent of a high school di-
17 ploma, recognized under State law; or

18 “(cc) obtained a recognized post-
19 secondary credential that is recog-
20 nized by the Secretary of Education,
21 the Secretary of Labor, or a State
22 under the Workforce Innovation and
23 Opportunity Act; or

1 “(III) is enrolled in secondary school
2 or in an education program assisting stu-
3 dents in—

4 “(aa) obtaining a regular high
5 school diploma or a General Edu-
6 cational Development credential, or
7 other equivalent of a high school di-
8 ploma, recognized under State law;

9 “(bb) passing the General Edu-
10 cational Development examinations, a
11 State-recognized high school diploma
12 equivalency examination, or other
13 similar State-authorized examination;

14 “(cc) obtaining a certificate or
15 credential from an area career and
16 technical education school, as defined
17 in section 3 of the Carl D. Perkins
18 Career and Technical Education Act
19 of 2006, providing education at the
20 secondary level; or

21 “(dd) obtaining a recognized
22 postsecondary credential; and

23 “(iv)(I) is not inadmissible under
24 paragraph (2), (3), (6)(E), (6)(G), (8),
25 (10)(A), (10)(C), (10)(D), or (10)(E) of

1 section 212(a) of the Immigration and Na-
2 tionality Act (8 U.S.C. 1182(a));

3 “(II) has not ordered, incited, as-
4 sisted, or otherwise participated in the per-
5 secution of any person on account of race,
6 religion, nationality, membership in a par-
7 ticular social group, or political opinion;
8 and

9 “(III) excluding any offense under
10 State law for which an essential element is
11 the alien’s immigration status and any
12 minor traffic offense, has not been con-
13 victed of—

14 “(aa) any offense under Federal
15 or State law that is punishable by a
16 maximum term of imprisonment of
17 more than 1 year; or

18 “(bb) 3 or more offenses under
19 Federal or State law for which the
20 alien was convicted on different dates
21 for each of the 3 offenses and impris-
22 oned for an aggregate of 90 days or
23 more.

24 “(B) HARDSHIP EXCEPTION.—The Sec-
25 retary of Homeland Security shall issue regula-

tions that direct when the Department shall waive the requirement of clause (i) or (ii), or both, of subparagraph (A) for an individual to qualify as a Dreamer student, under such subparagraph, if the individual—

“(i) demonstrates compelling circumstances for the inability to satisfy the requirement of such clause (i) or (ii), or both; and

“(ii) satisfies the requirement of clauses (iii) and (iv) of subparagraph (A).

“(2) TEMPORARY PROTECTED STATUS OR DEFERRED ENFORCED DEPARTURE STUDENT.—The term ‘temporary protected status or deferred enforced departure student’ means an alien (as defined in section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a))) who—

“(A)(i) has been continuously physically present in the United States for a period of not less than 3 years before the date of enactment of the Simplifying Financial Aid for Students Act of 2019; and

“(ii) is a national of a foreign state (or part thereof), (or in the case of an alien having no nationality, is a person who last habitually

resided in such state), with a designation under subsection (b) of section 244 of the Immigration and Nationality Act (8 U.S.C. 1254a(b)) on September 25, 2016, who had or was otherwise eligible for temporary protected status on such date; or

“(B) was under a grant of deferred enforced departure as of September 28, 2016.”.

SEC. 13. PROVISIONAL INDEPENDENCE FOR CERTAIN STUDENTS.

Section 483 (20 U.S.C. 1090), as amended by section 11, is further amended—

(1) in subsection (h)(1), by inserting the following before the semicolon: “, including the special circumstances under which a student may qualify for a determination of independence”; and

(2) by adding at the end the following:

“(l) PROVISIONAL INDEPENDENT STUDENTS.—

“(1) REQUIREMENTS FOR THE SECRETARY.—

The Secretary shall—

“(A) enable each student who, based on a special circumstance specified in accordance with subsection (h)(1), may qualify for an adjustment under section 479A that will result in a determination of independence under such

1 section and section 480(d)(1)(I), to complete
2 the forms developed by the Secretary under
3 subsection (a) as an independent student for
4 the purpose of a provisional determination of
5 the student's Federal financial aid award, but
6 subject to verification under paragraph (2)(E)
7 for the purpose of the final determination of the
8 award;

9 “(B) upon completion of the forms devel-
10 oped by the Secretary under subsection (a),
11 provide an estimate of the student's Federal
12 Pell Grant award, based on the assumption the
13 student is determined to be an independent stu-
14 dent;

15 “(C) ensure that, on each form developed
16 under this section, there is a single and easily
17 understood screening question to identify an ap-
18 plicant for aid who wishes to provisionally apply
19 for independent status under sections 479A and
20 480(d)(1)(I); and

21 “(D) specify, on the forms, the con-
22 sequences under section 490(a) of knowingly
23 and willfully completing the forms as an inde-
24 pendent student under subparagraph (A) with-

1 out meeting the special circumstances to qualify
 2 for such a determination.

3 “(2) REQUIREMENTS FOR FINANCIAL AID AD-
 4 MINISTRATORS.—With respect to a student accepted
 5 for admission who completes the forms as an inde-
 6 pendent student under paragraph (1)(A), a financial
 7 aid administrator—

8 “(A) shall notify the student of the institu-
 9 tional process and requirements for an adjust-
 10 ment under sections 479A and 480(d)(1)(I)
 11 that will result in a determination of independ-
 12 ence under such sections within a reasonable
 13 time after the student completes the forms de-
 14 veloped by the Secretary under subsection (a)
 15 as an independent student for the purpose of a
 16 provisional determination of the student’s Fed-
 17 eral financial aid award;

18 “(B) may make an adjustment under sec-
 19 tions 479A and 480(d)(1)(I) for a determina-
 20 tion of independence in the absence of con-
 21 flicting information;

22 “(C) shall provide a final determination of
 23 the student’s Federal financial aid award to the
 24 student in the same manner as, and by not
 25 later than the date that, the administrator pro-

1 vides most other provisionally independent stu-
2 dents their final determinations of Federal fi-
3 nancial aid awards, or during the award year in
4 which the student initially submits an applica-
5 tion, whichever comes sooner;

6 “(D) shall, in making a final determination
7 of the student’s Federal financial aid award,
8 use the discretion provided under sections 479A
9 and 480(d)(1)(I) to verify whether the student
10 meets the special circumstances to qualify as an
11 independent student;

12 “(E) in accordance with subparagraph (B),
13 may consider as adequate verification that a
14 student qualifies for an adjustment under sec-
15 tions 479A and 480(d)(1)(I)—

16 “(i) submission of a court order or of-
17 ficial Federal or State documentation that
18 the student’s parent or legal guardian is
19 incarcerated in any Federal or State penal
20 institution;

21 “(ii) a documented phone call with, or
22 a written statement from—

23 “(I) a child welfare agency au-
24 thorized by a State or county;

1 “(II) a Tribal child welfare au-
 2 thority;

3 “(III) an independent living case
 4 worker; or

5 “(IV) a public or private agency,
 6 facility, or program serving the vic-
 7 tims of abuse, neglect, assault, or vio-
 8 lence;

9 “(iii) a documented phone call with,
 10 or a written statement from, an attorney,
 11 a guardian ad litem, or a court appointed
 12 special advocate, documenting that per-
 13 son’s relationship to the student;

14 “(iv) a documented phone call with, or
 15 a written statement from, a representative
 16 of a program under chapter 1 or 2 of sub-
 17 part 2 of part A; or

18 “(v) submission of a copy of the stu-
 19 dent’s biological or adoptive parents’ or
 20 legal guardians’—

21 “(I) certificates of death; or

22 “(II) verified obituaries;

23 “(F) if a student does not have, and can-
 24 not get, documentation from any of the des-
 25 ignated authorities described in subparagraph

1 (E) of whether a student may qualify for an ad-
2 justment under sections 479A and 480(d)(1)(I)
3 that will result in a determination of independ-
4 ence, may base the verification and final deter-
5 mination on—

6 “(i) a documented interview with the
7 student that is limited to whether the stu-
8 dent meets the requirements, and not
9 about the reasons for the student’s situa-
10 tions; and

11 “(ii) an attestation from the student
12 that the student meets the requirements,
13 which includes a description of the approx-
14 imate dates that the student ended the fi-
15 nancial or caregiving relationship with
16 their parent or legal guardian, to the best
17 of the student’s knowledge;

18 “(G) shall retain all documents related to
19 the adjustment under sections 479A and
20 480(d)(1)(I), including documented interviews,
21 for the duration of the student’s enrollment at
22 the institution and for a minimum of 1 year
23 after the student is no longer enrolled at the in-
24 stitution; and

“(H) shall presume that any student who has obtained an adjustment under sections 479A and 480(d)(1)(I) and a final determination of independence for a preceding award year at an institution to be independent for a subsequent award year at the same institution unless—

“(i) the student informs the institution that circumstances have changed; or

“(ii) the institution has specific conflicting information about the student’s independence.”.

SEC. 14. SECURE DISCLOSURE OF TAX RETURN INFORMATION TO CARRY OUT THE HIGHER EDUCATION ACT OF 1965.

(a) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—

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

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

“(A) INCOME-CONTINGENT OR INCOME-BASED REPAYMENT AND TOTAL AND PERMA-

1 NENT DISABILITY DISCHARGE.—The Secretary
 2 shall, upon written request from the Secretary
 3 of Education, disclose to officers, employees,
 4 and contractors of the Department of Edu-
 5 cation, as specifically authorized and designated
 6 by the Secretary of Education, only for the pur-
 7 pose of (and to the extent necessary in) estab-
 8 lishing, renewing, administering, and con-
 9 ducting analyses and forecasts for estimating
 10 costs related to income contingent or income-
 11 based repayment programs, and the discharge
 12 of loans based on a total and permanent dis-
 13 ability (within the meaning of section 437(a) of
 14 the Higher Education Act of 1965), under title
 15 IV of the Higher Education Act of 1965, the
 16 following return information (as defined in sub-
 17 section (b)(2)) with respect to taxpayers identi-
 18 fied by the Secretary of Education as partici-
 19 pating in the loan programs under title IV of
 20 such Act, for taxable years specified by such
 21 Secretary:

22 “(i) Taxpayer identity information
 23 with respect to such taxpayer.

24 “(ii) The filing status of such tax-
 25 payer.

1 “(iii) Type of tax return from which
2 the return information is provided.

3 “(iv) The adjusted gross income of
4 such taxpayer.

5 “(v) Total number of exemptions
6 claimed, or total number of individuals and
7 dependents claimed, as applicable, on the
8 return.

9 “(vi) Number of children with respect
10 to which tax credits under section 24 are
11 claimed on the return.

12 “(vii) Other information determined
13 to be necessary by agreement between the
14 Secretary and the Secretary of Education
15 to administer the Federal financial aid pro-
16 grams as required by the Higher Edu-
17 cation Act of 1965.

18 “(B) FEDERAL STUDENT FINANCIAL
19 AID.—The Secretary shall, upon written request
20 from the Secretary of Education, disclose to of-
21 ficers, employees, and contractors of the De-
22 partment of Education, as specifically author-
23 ized and designated by the Secretary of Edu-
24 cation, only for the purpose of (and to the ex-
25 tent necessary in) determining eligibility for,

1 and amount of, Federal student financial aid
2 under programs authorized by title IV of the
3 Higher Education Act of 1965 and conducting
4 analyses and forecasts for estimating costs re-
5 lated to such programs, the following return in-
6 formation (as defined in subsection (b)(2)) with
7 respect to taxpayers identified by the Secretary
8 of Education as applicants for Federal student
9 financial aid under title IV of such Act, for tax-
10 able years specified by such Secretary:

11 “(i) Taxpayer identity information
12 with respect to such taxpayer.

13 “(ii) The filing status of such tax-
14 payer.

15 “(iii) Type of tax return from which
16 the return information is provided.

17 “(iv) The adjusted gross income of
18 such taxpayer.

19 “(v) The amount of any net earnings
20 from self-employment (as defined in sec-
21 tion 1402), wages (as defined in section
22 3121(a) or 3401(a)), business income, in-
23 vestment income, and taxable income from
24 a farming business (as defined in section

1 236A(e)(4)) for the period reported on the
2 return.

3 “(vi) The total income tax of such
4 taxpayer.

5 “(vii) Total number of exemptions
6 claimed, or total number of individuals and
7 dependents claimed, as applicable, on the
8 return.

9 “(viii) Number of children with re-
10 spect to which tax credits under section 24
11 are claimed on the return.

12 “(ix) Amount of any credit claimed
13 under section 25A for the taxable year.

14 “(x) Amount of individual retirement
15 account distributions not included in ad-
16 justed gross income for the taxable year.

17 “(xi) Amount of individual retirement
18 account contributions and payments to
19 self-employed SEP, Keogh, and other
20 qualified plans which were deducted from
21 income for the taxable year.

22 “(xii) The amount of tax-exempt in-
23 terest.

1 “(xiii) Amounts from retirement pen-
 2 sions and annuities not included in ad-
 3 justed gross income for the taxable year.

4 “(xiv) If applicable, the fact that
 5 there is no return filed for such taxpayer
 6 for the applicable year.

7 “(xv) Other information determined to
 8 be necessary by agreement between the
 9 Secretary and the Secretary of Education
 10 to administer the Federal financial aid pro-
 11 grams as required by the Higher Edu-
 12 cation Act of 1965.

13 “(C) RESTRICTION ON USE OF DISCLOSED
 14 INFORMATION.—

15 “(i) IN GENERAL.—Return informa-
 16 tion disclosed under subparagraphs (A)
 17 and (B) may be used by officers, employ-
 18 ees, and contractors of the Department of
 19 Education, as specifically authorized and
 20 designated by the Secretary of Education,
 21 only for the purposes and to the extent
 22 necessary described in such subparagraphs
 23 and for mitigating risks (as defined in
 24 clause (ii)) relating to the programs de-
 25 scribed in such subparagraphs.

1 “(ii) MITIGATING RISKS.—For pur-
2 poses of this subparagraph, the term ‘miti-
3 gating risks’ means, with respect to the
4 programs described in subparagraphs (A)
5 and (B)—

6 “(I) analyzing or estimating costs
7 associated with potential changes to
8 the need-analysis formula;

9 “(II) oversight activities by the
10 Office of Inspector General of the De-
11 partment of Education as authorized
12 by the Inspector General Act of 1978,
13 as amended;

14 “(III) developing or admin-
15 istering statistical models that inform
16 support to populations of Federal stu-
17 dent loan borrowers who are at risk of
18 default or delinquency;

19 “(IV) reducing the net cost of
20 improper payments to Federal finan-
21 cial aid recipients; and

22 “(V) producing aggregate statis-
23 tics for reporting, research, or con-
24 sumer information on the performance
25 of programs or institutions of higher

1 education participating in the pro-
2 grams under title IV of the Higher
3 Education Act of 1965.

4 Such term does not include the conduct of
5 criminal investigations or prosecutions.

6 “(iii) REDISCLOSURE TO INSTITU-
7 TIONS OF HIGHER EDUCATION, STATE
8 HIGHER EDUCATION AGENCIES, AND DES-
9 IGNATED SCHOLARSHIP ORGANIZATIONS.—
10 The Secretary of Education, and officers,
11 employees, and contractors of the Depart-
12 ment of Education, may disclose return in-
13 formation received under subparagraph
14 (B), solely for the use in the application,
15 award, and administration of Federal stu-
16 dent financial aid, State aid, or aid award-
17 ed by eligible institutions or such entities
18 as the Secretary of Education may des-
19 ignate, to the following persons:

20 “(I) An institution of higher edu-
21 cation with which the Secretary of
22 Education has an agreement under
23 subpart 1 of part A, or part D or E,
24 of title IV of the Higher Education
25 Act of 1965.

1 “(II) A State higher education
2 agency.

3 “(III) A scholarship organization
4 which is designated by the Secretary
5 of Education as of the date of the en-
6 actment of the Simplifying Financial
7 Aid for Students Act of 2019 as an
8 organization eligible to receive the in-
9 formation provided under this clause.

10 The preceding sentence shall only apply to
11 the extent that the taxpayer with respect
12 to whom the return information relates
13 provides consent for such disclosure to the
14 Secretary of Education as part of the ap-
15 plication for Federal student financial aid
16 under title IV of the Higher Education Act
17 of 1965.

18 “(D) REQUIRED NOTIFICATION PERI-
19 ODS.—

20 “(i) NOTIFICATION TO CONGRESS.—
21 The Secretary and the Secretary of Edu-
22 cation shall issue joint notifications to the
23 Committees on Finance and Health, Edu-
24 cation, Labor, and Pensions of the Senate
25 and the Committees on Ways and Means

and Education and Labor of the House of Representatives not less than 120 days prior to the first disclosure of any type of return information under subparagraph (A)(vii) or (B)(xv) with respect to which such a notification has not been previously made.

“(ii) PUBLIC NOTICE AND COMMENT.—There shall be a public notice and comment period beginning not less than 60 days prior to the first disclosure of any type of return information under subparagraph (A)(vii) or (B)(xv) with respect to which such a notification has not been previously made, subsequent to the period allotted for congressional comment under clause (i).”.

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

(3) CONFORMING AMENDMENTS.—Section 6103(p)(4) of such Code is amended—

(A) by inserting “(A), (13)(B)” after “(13)” each place it occurs; and

1 (B) by inserting “, (13)(A), (13)(B)” after
 2 “(l)(10)” each place it occurs.

3 (b) EFFECTIVE DATE.—The amendments made by
 4 this section shall apply to disclosures made under section
 5 6103(l)(13) of the Internal Revenue Code of 1986 (as
 6 amended by this section) after the date of the enactment
 7 of this Act.

8 **SEC. 15. NOTIFICATION OF REQUEST FOR TAX RETURN IN-**
 9 **FORMATION.**

10 (a) IN GENERAL.—Part G of title IV (20 U.S.C.
 11 1088 et seq.) is amended by adding at the end the fol-
 12 lowing:

13 **“SEC. 494. NOTIFICATION OF REQUEST FOR TAX RETURN**
 14 **INFORMATION.**

15 “The Secretary shall advise students and borrowers
 16 who submit an application for Federal student financial
 17 aid under this title or for the discharge of a loan based
 18 on permanent and total disability, as described in section
 19 437(a), or who request an income-contingent or income-
 20 based repayment plan on their loan (as well as parents
 21 and spouses who sign such an application or request or
 22 a Master Promissory Note on behalf of those students and
 23 borrowers) that the Secretary has the authority to request
 24 that the Internal Revenue Service disclose their tax return
 25 information (as well as that of parents and spouses who

1 sign such an application or request or a Master Promis-
 2 sory Note on behalf of those students and borrowers) to
 3 officers, employees, and contractors of the Department of
 4 Education as authorized under section 6103(1)(13) of the
 5 Internal Revenue Code of 1986, to the extent necessary
 6 for the Secretary to carry out this title.”.

7 (b) CONFORMING AMENDMENTS RELATED TO STU-
 8 DENT ELIGIBILITY.—Section 484, as amended by sections
 9 9, 10, and 12, is further amended—

10 (1) by striking subsection (q);

11 (2) by redesignating subsections (o), (p), (s),
 12 and (t) as subsections (n), (o), (p), and (q), respec-
 13 tively; and

14 (3) by transferring subsections (p) and (q), as
 15 redesignated by paragraph (2), so as to precede sub-
 16 section (r) (as added by section 12(b)).

17 **SEC. 16. EARLY FEDERAL PELL GRANT COMMITMENT PRO-**
 18 **GRAM.**

19 Subpart 1 of part A of title IV (20 U.S.C. 1070a
 20 et seq.) is amended by adding at the end the following:

21 **“SEC. 401B. EARLY FEDERAL PELL GRANT COMMITMENT**
 22 **PROGRAM.**

23 “(a) PROGRAM AUTHORITY.—The Secretary shall
 24 carry out an Early Federal Pell Grant Commitment Pro-

1 gram (referred to in this section as the ‘Program’) under
 2 which the Secretary—

3 “(1) makes a commitment to award Federal
 4 Pell Grants to eligible students in accordance with
 5 this section; and

6 “(2) awards grants to States with approved ap-
 7 plications under subsection (c), to enable the States
 8 to administer the Program, support eligible students,
 9 and carry out a targeted information campaign de-
 10 scribed in subsection (d) in the State.

11 “(b) PROGRAM REQUIREMENTS.—The Program shall
 12 meet the following requirements:

13 “(1) ELIGIBLE STUDENTS.—A student shall be
 14 eligible to receive a commitment from the Secretary
 15 under paragraph (2) if the student—

16 “(A) is in any of the grades 8 through 12;
 17 and

18 “(B) is a member of a household receiving
 19 assistance under the supplemental nutrition as-
 20 sistance program established under the Food
 21 and Nutrition Act of 2008 (7 U.S.C. 2011 et
 22 seq.).

23 “(2) FEDERAL PELL GRANT COMMITMENT.—

24 “(A) IN GENERAL.—Each eligible student
 25 shall receive a commitment from the Secretary

1 to receive a Federal Pell Grant during the first
2 academic years that the student is in attend-
3 ance at an institution of higher education as an
4 undergraduate student, if the student—

5 “(i) applies for Federal financial aid
6 (via the Free Application for Federal Stu-
7 dent Aid under section 483) during the
8 student’s senior year of secondary school
9 and during the succeeding academic year;
10 and

11 “(ii) enrolls at such institution of
12 higher education—

13 “(I) not later than 3 years after
14 such student receives a secondary
15 school diploma or its recognized equiv-
16 alent; or

17 “(II) if such student becomes a
18 member of the armed forces, not later
19 than 3 years after such student is dis-
20 charged, separated, or released from
21 the Armed Forces.

22 “(B) DETERMINATION OF CONTINUED ELI-
23 GIBILITY.—When an eligible student receiving a
24 Federal Pell Grant pursuant to the commitment
25 under subparagraph (A) enters the student’s

1 second academic year, the Secretary shall notify
2 the student—

3 “(i) of the upcoming conclusion of the
4 commitment; and

5 “(ii) that the student will remain eli-
6 gible for a Federal Pell Grant under sec-
7 tion 401 if the student, at the time of ap-
8 plication, is—

9 “(I) a member of a household re-
10 ceiving assistance under the supple-
11 mental nutrition assistance program
12 established under the Food and Nutri-
13 tion Act of 2008 (7 U.S.C. 2011 et
14 seq.) at the time of such application;
15 or

16 “(II) is receiving benefits
17 under—

18 “(aa) the supplemental secu-
19 rity income program under title
20 XVI of the Social Security Act
21 (42 U.S.C. 1381 et seq.);

22 “(bb) a State program fund-
23 ed under the temporary assist-
24 ance for needy families program
25 under part A of title IV of the

1 Social Security Act (42 U.S.C.
2 601 et seq.);

3 “(cc) the Medicaid program
4 under title XIX of the Social Se-
5 curity Act (42 U.S.C. 1396 et
6 seq.); or

7 “(dd) a means-tested Fed-
8 eral benefit program, not de-
9 scribed in subclause (I), (II), or
10 (III), that is determined appro-
11 priate by the Secretary.

12 “(3) APPLICABILITY OF FEDERAL PELL GRANT
13 REQUIREMENTS.—

14 “(A) IN GENERAL.—The requirements of
15 section 401 shall apply to Federal Pell Grants
16 awarded pursuant to this section, except that
17 with respect to each eligible student in the Pro-
18 gram, the amount of each such eligible stu-
19 dent’s Federal Pell Grant only shall be cal-
20 culated by deeming such student to have a stu-
21 dent aid index equal to zero.

22 “(B) DETERMINATION FOR STATE AND IN-
23 STITUTIONAL AID.—For each student whose
24 student aid index is deemed to be zero under
25 subparagraph (A), the Secretary shall also cal-

1 culate the student aid index for the student,
 2 using the simplified version of the Free Applica-
 3 tion for Federal Student Aid form in accord-
 4 ance with section 479, to identify students who
 5 have a negative student aid index and may be
 6 eligible for additional State or institutional aid.

7 “(c) STATE APPLICATIONS.—

8 “(1) IN GENERAL.—Each State desiring to par-
 9 ticipate in the Program shall submit an application
 10 to the Secretary at such time and in such manner
 11 as the Secretary may require.

12 “(2) CONTENTS.—Each application shall in-
 13 clude—

14 “(A) a description of the State’s proposed
 15 targeted information campaign for the Pro-
 16 gram, in accordance with subsection (d), and a
 17 copy of the plan described in subsection (d)(2);

18 “(B) an assurance that the State will fully
 19 cooperate with the ongoing evaluation of the
 20 Program under subsection (e);

21 “(C) a description of how the State will—

22 “(i) encourage participating secondary
 23 students to enroll in rigorous and chal-
 24 lenging curricula and coursework, in order

1 to reduce the need for remedial coursework
 2 at the postsecondary level;

3 “(ii) increase the number of eligible
 4 students who—

5 “(I) obtain a secondary school di-
 6 ploma; and

7 “(II) complete applications for
 8 and enroll in a program of postsec-
 9 ondary education;

10 “(iii) introduce eligible students to in-
 11 stitutions of higher education, through
 12 trips and school-based sessions;

13 “(iv) provide eligible students with as-
 14 sistance in the admissions and application
 15 process for institutions of higher education
 16 or other postsecondary education pro-
 17 grams; and

18 “(v) ensure that each eligible student
 19 has an educational development plan; and

20 “(D) such other information as the Sec-
 21 retary may require.

22 “(3) EDUCATIONAL DEVELOPMENT PLAN.—In
 23 this subsection, the term ‘educational development
 24 plan’ means an individualized plan for a student
 25 that—

1 “(A) contains a series of steps to help pro-
 2 mote the student’s career awareness and explo-
 3 ration; and

4 “(B) assists students in identifying—

5 “(i) postsecondary options, including
 6 baccalaureate and subbaccalaureate degree
 7 programs; or

8 “(ii) career and technical programs of
 9 study, including career and technical pro-
 10 grams of study as defined in section 3 of
 11 the Carl D. Perkins Career and Technical
 12 Education Act of 2006 (20 U.S.C. 2302).

13 “(d) TARGETED INFORMATION CAMPAIGN AND
 14 PLAN.—

15 “(1) IN GENERAL.—Each State receiving a
 16 grant under this section shall, in cooperation with
 17 the participating local educational agencies within
 18 the State and the Secretary, develop a targeted in-
 19 formation campaign for the Program.

20 “(2) PLAN.—Each State receiving a grant
 21 under this section shall include in the application
 22 submitted under subsection (c) a written plan for
 23 their proposed targeted information campaign. The
 24 plan shall include the following:

1 “(A) OUTREACH.—Outreach to students
2 and their families, at a minimum, at the begin-
3 ning and end of each academic year.

4 “(B) DISTRIBUTION.—How the State
5 plans to provide the outreach described in sub-
6 paragraph (A) and to provide the information
7 described in subparagraph (C).

8 “(C) INFORMATION.—The annual provi-
9 sion by the State to all students and families
10 participating in the Program of information re-
11 garding—

12 “(i) the average net price of in-State
13 institutions of higher education,
14 disaggregated by sector and by income
15 quintile;

16 “(ii) Federal Pell Grants, including—

17 “(I) the maximum Federal Pell
18 Grant for each academic year;

19 “(II) when and how to apply for
20 a Federal Pell Grant; and

21 “(III) what the application proc-
22 ess for a Federal Pell Grant requires;

23 “(iii) State-specific postsecondary edu-
24 cation savings programs;

25 “(iv) State-based financial aid;

1 “(v) Federal financial aid available to
2 students, including eligibility criteria for
3 the Federal financial aid and an expla-
4 nation of the Federal financial aid pro-
5 grams; and

6 “(vi) financial aid that may be avail-
7 able from nongovernmental sources.

8 “(3) ANNUAL INFORMATION.—The information
9 described in paragraph (2)(C) shall be provided to
10 eligible students annually for the duration of the
11 students’ participation in the Program.

12 “(4) RESERVATION.—Each State receiving a
13 grant under this section shall reserve \$200,000 of
14 the grant funds received each fiscal year to carry out
15 the targeted information campaign described in this
16 subsection.

17 “(5) INFORMATION CAMPAIGN IN NON-PARTICI-
18 PATING STATES.—In the case of a State does not
19 apply for a grant under this section, or applies but
20 does not satisfy the requirements of the grant, the
21 Secretary shall carry out an information campaign
22 and administer the Program for the State, in order
23 to ensure that eligible students in the State are as-
24 sisted under the Program.

25 “(e) EVALUATION.—

1 “(1) IN GENERAL.—From amounts appro-
2 priated under subsection (f) for a fiscal year, the
3 Secretary shall reserve not more than \$1,000,000 to
4 award a grant or contract to an organization outside
5 the Department for an independent evaluation of the
6 impact of the Program.

7 “(2) COMPETITIVE BASIS.—The grant or con-
8 tract shall be awarded on a competitive basis.

9 “(3) MATTERS EVALUATED.—The evaluation
10 described in this subsection shall consider metrics
11 established by the Secretary that emphasize college
12 access and success, encouraging low-income students
13 to pursue higher education, and the cost effective-
14 ness of the program.

15 “(4) DISSEMINATION.—The findings of the
16 evaluation shall be widely disseminated to the public
17 by the organization conducting the evaluation as well
18 as by the Secretary.

19 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
20 are authorized to be appropriated to carry out this section
21 such sums as may be necessary.”.

○