

113TH CONGRESS
1ST SESSION

H. R. 1911

AN ACT

To amend the Higher Education Act of 1965 to establish interest rates for new loans made on or after July 1, 2013, to direct the Secretary of Education to convene the Advisory Committee on Improving Postsecondary Education Data to conduct a study on improvements to postsecondary education transparency at the Federal level, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. TABLE OF CONTENTS.**

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

Sec. 1. Table of Contents.

TITLE I—SMARTER SOLUTIONS FOR STUDENTS ACT

Sec. 101. Short title.

Sec. 102. Student loan interest rates.

Sec. 103. Budgetary effects.

TITLE II—IMPROVING POSTSECONDARY EDUCATION DATA FOR
STUDENTS ACT

Sec. 201. Short title.

Sec. 202. Study on improvements to postsecondary education transparency at
the Federal level.

5 **TITLE I—SMARTER SOLUTIONS**
 6 **FOR STUDENTS ACT**

7 **SEC. 101. SHORT TITLE.**

8 This title may be cited as the “Smarter Solutions for
 9 Students Act”.

10 **SEC. 102. STUDENT LOAN INTEREST RATES.**

11 Section 455(b) of the Higher Education Act of 1965
 12 (20 U.S.C. 1087e(b)) is amended—

13 (1) in paragraph (7)—

14 (A) in the paragraph heading, by inserting

15 “, AND BEFORE JULY 1, 2013” after “2006”;

16 (B) in subparagraph (A), by inserting

17 “and before July 1, 2013,” after “2006”;

18 (C) in subparagraph (B), by inserting

19 “and before July 1, 2013,” after “2006,”; and

1 (D) in subparagraph (C), by inserting
2 “and before July 1, 2013,” after “2006,”;

3 (2) by redesignating paragraphs (8) and (9) as
4 paragraphs (9) and (10), respectively; and

5 (3) by inserting after paragraph (7), the fol-
6 lowing:

7 “(8) INTEREST RATE PROVISION FOR NEW
8 LOANS ON OR AFTER JULY 1, 2013.—

9 “(A) RATES FOR FDSL AND FDUSL.—Not-
10 withstanding the preceding paragraphs of this
11 subsection, for Federal Direct Stafford Loans
12 and Federal Direct Unsubsidized Stafford
13 Loans for which the first disbursement is made
14 on or after July 1, 2013, the applicable rate of
15 interest shall, during any 12-month period be-
16 ginning on July 1 and ending on June 30, be
17 determined on the preceding June 1 and be
18 equal to—

19 “(i) the high-yield 10-year Treasury
20 notes auctioned at the final auction held
21 prior to such June 1; plus

22 “(ii) 2.5 percent,
23 except that such rate shall not exceed 8.5 per-
24 cent.

1 “(B) PLUS LOANS.—Notwithstanding the
2 preceding paragraphs of this subsection, for any
3 Federal Direct PLUS Loan for which the first
4 disbursement is made on or after July 1, 2013,
5 the applicable rate of interest shall, during any
6 12-month period beginning on July 1 and end-
7 ing on June 30, be determined on the preceding
8 June 1 and be equal to—

9 “(i) the high-yield 10-year Treasury
10 notes auctioned at the final auction held
11 prior to such June 1; plus

12 “(ii) 4.5 percent,
13 except that such rate shall not exceed 10.5 per-
14 cent.

15 “(C) CONSOLIDATION LOANS.—Notwith-
16 standing the preceding paragraphs of this sub-
17 section, any Federal Direct Consolidation Loan
18 for which the application is received on or after
19 July 1, 2013, shall bear interest at an annual
20 rate on the unpaid principal balance of the loan
21 that is equal to the weighted average of the in-
22 terest rates on the loans consolidated, rounded
23 to the nearest higher one-eighth of one per-
24 cent.”.

1 **SEC. 103. BUDGETARY EFFECTS.**

2 (a) PAYGO SCORECARD.—The budgetary effects of
3 this Act shall not be entered on either PAYGO scorecard
4 maintained pursuant to section 4(d) of the Statutory Pay-
5 As-You-Go Act of 2010.

6 (b) SENATE PAYGO SCORECARD.—The budgetary ef-
7 fects of this Act shall not be entered on any PAYGO score-
8 card maintained for purposes of section 201 of S. Con.
9 Res. 21 (110th Congress).

10 **TITLE II—IMPROVING POSTSEC-**
11 **ONDARY EDUCATION DATA**
12 **FOR STUDENTS ACT**

13 **SEC. 201. SHORT TITLE.**

14 This title may be cited as the “Improving Postsec-
15 ondary Education Data for Students Act”.

16 **SEC. 202. STUDY ON IMPROVEMENTS TO POSTSECONDARY**
17 **EDUCATION TRANSPARENCY AT THE FED-**
18 **ERAL LEVEL.**

19 (a) FORMATION OF ADVISORY COMMITTEE ON IM-
20 PROVING POSTSECONDARY EDUCATION DATA.—

21 (1) IN GENERAL.—Not later than 30 days after
22 the date of enactment of this Act, the Secretary of
23 Education shall convene the Advisory Committee on
24 Improving Postsecondary Education Data (in this
25 Act referred to as the “Advisory Committee”), which
26 shall be comprised of 15 members who represent

1 economically, racially, and geographically diverse
2 populations appointed by the Secretary in consulta-
3 tion with the Commissioner for Education Statistics,
4 including—

5 (A) individuals representing different sec-
6 tors of institutions of higher education, includ-
7 ing individuals representing undergraduate and
8 graduate education;

9 (B) experts in the field of higher education
10 policy;

11 (C) State officials;

12 (D) students and other stakeholders from
13 the higher education community;

14 (E) representatives from the business com-
15 munity;

16 (F) experts in choice in consumer markets;

17 (G) privacy experts;

18 (H) college and career counselors at sec-
19 ondary schools;

20 (I) experts in data policy, collection, and
21 use; and

22 (J) experts in labor markets.

23 (2) CHAIRPERSON.—The Secretary shall ap-
24 point the Chairperson of the Advisory Committee.

1 (b) STUDY REQUIRED.—The Advisory Committee
2 shall conduct a study examining—

3 (1) the types of information, including informa-
4 tion related to costs of postsecondary education,
5 sources of financial assistance (including Federal
6 student loans), student outcomes, and
7 postgraduation earnings, the Federal Government
8 should collect and report on institutions of higher
9 education to assist students and families in their
10 search for an institution of higher education;

11 (2) how such information should be collected
12 and reported, including how to disaggregate infor-
13 mation on student outcomes by subgroups of stu-
14 dents, such as full-time students, part-time students,
15 nontraditional students, first generation college stu-
16 dents, students who are veterans, and Federal Pell
17 Grant recipients under subpart 1 of part A of title
18 IV of the Higher Education Act of 1965 (20 U.S.C.
19 1070a); and

20 (3) the ways in which the Federal Government
21 may make such information more readily available
22 to—

23 (A) students and their families in a format
24 that is easily accessible and understandable,

1 and will aid students and their families in mak-
2 ing decisions; and

3 (B) States, local governments, secondary
4 schools, individual or groups of institutions of
5 higher education, and private-sector entities.

6 (c) SCOPE OF STUDY.—In conducting the study
7 under this Act, the Advisory Committee shall, at a min-
8 imum, examine—

9 (1) whether the current Federal transparency
10 initiatives on postsecondary education—

11 (A) are reporting consistent information
12 about individual institutions of higher education
13 across Federal agencies; and

14 (B) are similar to transparency initiatives
15 on postsecondary education carried out by
16 States, individual or groups of institutions of
17 higher education, or private-sector entities;

18 (2) whether—

19 (A) the collection and reporting of
20 postgraduation earnings by the Federal Govern-
21 ment is feasible, and if feasible, the options for
22 collecting and reporting such information;

23 (B) collecting and reporting such informa-
24 tion would improve the use of Federal trans-

1 parency initiatives and ease decisionmaking for
2 students and their families; and

3 (C) collecting and reporting such informa-
4 tion would have an impact on student privacy,
5 and if so, how such impact may be minimized;

6 (3) whether any other information, including in-
7 formation relating to student outcomes or identified
8 under the review required under subsection (d),
9 should be collected and reported by the Federal Gov-
10 ernment to improve the utility of such initiatives for
11 students and their families, and if so, how such in-
12 formation may be collected and reported, including
13 whether the information should be disaggregated by
14 subgroups of students;

15 (4) whether any information currently collected
16 and reported by the Federal Government on institu-
17 tions of higher education is not useful for students
18 and their families and should not be so collected and
19 reported;

20 (5) the manner in which the information from
21 Federal transparency initiatives is made available to
22 students and their families, and whether format
23 changes may help the information become more eas-
24 ily understood and widely utilized by students and
25 their families;

1 (6) any activities being carried out by the Fed-
2 eral Government, States, individual or groups of in-
3 stitutions of higher education, or private-sector enti-
4 ties to help inform students and their families of the
5 availability of Federal transparency initiatives;

6 (7) the cost to institutions of higher education
7 of reporting to the Federal Government the informa-
8 tion that is being collected and reported through
9 Federal transparency initiatives, and how such cost
10 may be minimized; and

11 (8) the relevant research described in sub-
12 section (d).

13 (d) REVIEW OF RELEVANT RESEARCH.—In con-
14 ducting the study under this Act, the Advisory Committee
15 shall review and consider—

16 (1) research and studies, if any, that have been
17 conducted to determine questions most frequently
18 asked by students and families to help inform their
19 search for an institution of higher education;

20 (2) the types of information students seek be-
21 fore enrolling in an institution of higher education;

22 (3) whether the availability to students and
23 their families of additional information on institu-
24 tions of higher education will be beneficial or con-
25 fusing;

1 (4) results, if any, that are available from con-
2 sumer testing of Federal, State, institution of higher
3 education, and private-sector transparency initiatives
4 on postsecondary education that have been made
5 publicly available on or after the date that is 10
6 years before the date of enactment of this Act; and

7 (5) any gaps in the research, studies, and re-
8 sults described in paragraphs (1) and (4) relating to
9 the types of information students seek before enroll-
10 ing in an institution of higher education.

11 (e) CONSULTATION.—

12 (1) IN GENERAL.—In conducting the study
13 under this Act, the Advisory Committee shall—

14 (A) hold public hearings to consult with
15 parents and students; and

16 (B) consult with a broad range of inter-
17 ested parties in higher education, including ap-
18 propriate researchers, representatives of sec-
19 ondary schools (including college and career
20 counselors) and institutions of higher education
21 from different sectors of such institutions (in-
22 cluding undergraduate and graduate education),
23 State administrators, and Federal officials.

24 (2) CONSULTATION WITH THE AUTHORIZING
25 COMMITTEES.—The Advisory Committee shall con-

1 sult on a regular basis with the authorizing commit-
2 tees in conducting the study under this Act.

3 (f) REPORTS TO AUTHORIZING COMMITTEES.—

4 (1) INTERIM REPORT.—Not later than 180
5 days after the date of enactment of this Act, the Ad-
6 visory Committee shall prepare and submit to the
7 authorizing committees and the Secretary an interim
8 report describing the progress made in conducting
9 the study under this Act and any preliminary find-
10 ings on the topics identified under subsection (c).

11 (2) FINAL REPORT.—

12 (A) IN GENERAL.—Not later than 1 year
13 after the date of enactment of this Act, the Ad-
14 visory Committee shall prepare and submit to
15 the authorizing committees and the Secretary a
16 final report on the study, including—

17 (i) recommendations for legislative,
18 regulatory, and administrative actions
19 based on findings related to the topics
20 identified under subsection (c); and

21 (ii) a summary of the research de-
22 scribed in subsection (d).

23 (B) CONSULTATION WITH ONCES.—The
24 Advisory Committee shall consult with the Com-
25 missioner of Education Statistics prior to mak-

1 ing recommendations under subparagraph
2 (A)(i) with respect to improving the information
3 being collected and reported by the Federal
4 Government on institutions of higher education.

5 (g) AVAILABILITY OF FUNDS.—The amount nec-
6 essary to conduct the study under this Act shall be made
7 available from amounts available to the Secretary for ad-
8 ministrative expenses of the Department of Education.

9 (h) DEFINITIONS.—For purposes of this Act:

10 (1) AUTHORIZING COMMITTEES.—The term
11 “authorizing committees” has the meaning given the
12 term in section 103 of the Higher Education Act of
13 1965 (20 U.S.C. 1003).

14 (2) FIRST GENERATION COLLEGE STUDENT.—
15 The term “first generation college student” has the
16 meaning given the term in section 402A(h) of the
17 Higher Education Act of 1965 (20 U.S.C. 1070a-
18 11(h)).

19 (3) INSTITUTION OF HIGHER EDUCATION.—The
20 term “institution of higher education” has the
21 meaning given the term in section 102 of the Higher
22 Education Act of 1965 (20 U.S.C. 1002), except
23 that such term does not include institutions de-
24 scribed in subsection (a)(1)(C) of such section 102.

1 (4) SECONDARY SCHOOL.—The term “sec-
2 ondary school” has the meaning given the term in
3 section 9101 of the Elementary and Secondary Edu-
4 cation Act of 1965 (20 U.S.C. 7801).

5 (5) SECRETARY.—The term “Secretary” means
6 the Secretary of Education.

7 (6) STATE.—The term “State” has the mean-
8 ing given the term in section 103 of the Higher
9 Education Act of 1965 (20 U.S.C. 1003).

10 (7) STUDENT.—The term “student” includes—

11 (A) a prospective student;

12 (B) a student enrolled in an institution of
13 higher education;

14 (C) a nontraditional student (as defined in
15 section 803(j)(2) of the Higher Education Act
16 of 1965 (20 U.S.C. 1161c(j)(2))); and

17 (D) a veteran (as defined in section
18 480(c)(1) of such Act (20 U.S.C.
19 1087vv(c)(1))) who is a student or prospective
20 student.

Passed the House of Representatives May 23, 2013.

Attest:

Clerk.

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