

# Union Calendar No. 582

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 7891

[Report No. 119–668]

To amend section 498A of the Higher Education Act of 1965 to require the Secretary of Education to prioritize program reviews of institutions of higher education that disburse Federal financial aid under title IV of such Act without verifying the identity of a student whose FAFSA presents a reasonable suspicion of identity fraud.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 12, 2026

Mr. THOMPSON of Pennsylvania introduced the following bill; which was referred to the Committee on Education and Workforce

MAY 26, 2026

Additional sponsor: Ms. FOXX

MAY 26, 2026

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on March 12, 2026]

# **A BILL**

To amend section 498A of the Higher Education Act of 1965 to require the Secretary of Education to prioritize program reviews of institutions of higher education that disburse Federal financial aid under title IV of such Act without verifying the identity of a student whose FAFSA presents a reasonable suspicion of identity fraud.

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

3       **SECTION 1. SHORT TITLE.**

4       *This Act may be cited as the “Student Aid Fraud*  
 5       *Oversight and Accountability Act of 2026”.*

6       **SEC. 2. PROGRAM REVIEW PRIORITY CATEGORY.**

7       *(a) PROGRAM REVIEW PRIORITY CATEGORY.—Section*  
 8       *498A(a)(2) of the Higher Education Act of 1965 (20 U.S.C.*  
 9       *1099c–1(a)(2)) is amended—*

10               *(1) in subparagraph (E), by striking “and” at*  
 11               *the end;*

12               *(2) by redesignating subparagraph (F) as sub-*  
 13               *paragraph (G), and striking “and” after the semi-*  
 14               *colon at the end of such subparagraph; and*

15               *(3) by inserting after subparagraph (E) the fol-*  
 16               *lowing:*

17                       *“(F) institutions identified under para-*  
 18                       *graph (4); and”.*

19       *(b) IDENTIFICATION OF INSTITUTIONS OF HIGHER*  
 20       *EDUCATION.—Section 498A(a) of the Higher Education Act*  
 21       *of 1965 (20 U.S.C. 1099c–1(a)) is amended—*

22               *(1) in paragraph (3), by striking the period at*  
 23               *the end and inserting “; and”; and*

24               *(2) by adding at the end the following:*

1           “(4) shall identify each institution that has dis-  
2       bursed, on or after October 1, 2026, Federal financial  
3       aid under this title for an award year to any student  
4       whose application under section 483 for such award  
5       year presented a reasonable suspicion of identity  
6       fraud, as determined by the identity fraud detection  
7       system used by the Secretary, except that the Sec-  
8       retary shall exclude from such identification any in-  
9       stitution that demonstrates to the Secretary that, with  
10      respect to each such student, before the disbursement  
11      of Federal financial aid to the student, the institu-  
12      tion, in accordance with procedures established by the  
13      Secretary, determined that a reasonable suspicion of  
14      identity fraud was not present by confirming the  
15      identity of such student using in-person verification  
16      or live, synchronous audiovisual verification and no-  
17      tified the Secretary that the identity of the student  
18      has been verified, and maintains a record of such  
19      identity verification.”.

20       (c) *SPECIAL CONSIDERATIONS*.—Section 498A of the  
21      Higher Education Act of 1965 (20 U.S.C. 1099c–1) is fur-  
22      ther amended by adding at the end the following:

23       “(f) *SPECIAL CONSIDERATIONS*.—Identification of an  
24      institution under subsection (a)(4)—

1           “(1) may be used to inform program reviews,  
2           audits, investigations, and other oversight activities  
3           authorized under this title; and

4           “(2) shall not, by itself, constitute a determina-  
5           tion that such institution has failed to meet the re-  
6           quirements of this title.”.

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