

119TH CONGRESS  
2D SESSION

# S. 4435

To establish requirements for financial aid offers made by institutions of higher education, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 29, 2026

Mr. CASSIDY (for himself and Mr. GRASSLEY) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To establish requirements for financial aid offers made by institutions of higher education, 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. SHORT TITLE.**

4       This Act may be cited as the “Improving Financial  
5       Aid Offers for Students Act”.

6       **SEC. 2. FINANCIAL AID OFFER REQUIREMENTS.**

7       Section 484 of the Higher Education Opportunity  
8       Act (20 U.S.C. 1092 note) is amended to read as follows:

1 **“SEC. 484. FINANCIAL AID OFFER REQUIREMENTS.**

2       “(a) FINANCIAL AID OFFER.—In this section, the  
3 term ‘financial aid offer’ means a document or electronic  
4 notification that is provided or made available by a post-  
5 secondary educational institution to a student (or prospec-  
6 tive student) that outlines the amounts and details of the  
7 financial aid being offered to the student (or prospective  
8 student), which may include scholarships, grants, loans,  
9 employment, or other forms of financial assistance, to pay  
10 for expenses related to attending the institution.

11       “(b) STANDARD TERMINOLOGY AND MODEL  
12 FORM.—The Secretary of Education, in consultation with  
13 the heads of relevant Federal agencies and in accordance  
14 with subsections (g) and (h), shall develop standard termi-  
15 nology and a model form for financial aid offers based on  
16 recommendations from representatives of students, vet-  
17 erans, servicemembers, students’ families, institutions of  
18 higher education (including 2-year public institutions, 2-  
19 year private nonprofit institutions, for-profit institutions,  
20 4-year public institutions, and 4-year private nonprofit in-  
21 stitutions), higher education associations, financial aid ex-  
22 perts, financial aid administrators, secondary school and  
23 postsecondary counselors, college access professionals,  
24 nonprofit organizations, and consumer groups. Such  
25 model form shall meet the requirements of subsections (c)

1 and (d) and use the standard terminology developed pur-  
 2 suant to subsection (g)(1).

3 “(c) KEY REQUIRED CONTENTS FOR AID OFFER.—

4 An institution of higher education receiving Federal finan-  
 5 cial assistance under the Higher Education Act of 1965  
 6 (20 U.S.C. 1001 et seq.) shall use a financial aid offer  
 7 that includes the following items in a consumer-friendly  
 8 manner that is simple and understandable, with costs list-  
 9 ed first, followed by grants and scholarships, and with  
 10 each of the following categories of information clearly sep-  
 11 arated from each other with separate headings:

12 “(1) COST INFORMATION.—

13 “(A) IN GENERAL.—Information on the  
 14 student’s estimated cost of attendance, includ-  
 15 ing the following:

16 “(i) DIRECT COSTS.—The total cost of  
 17 all items described in section 472 of the  
 18 Higher Education Act of 1965 (20 U.S.C.  
 19 1087ll) that are billed to the student by  
 20 the institution or otherwise required by the  
 21 institution for enrollment, including such  
 22 total cost disaggregated by the cost of each  
 23 such item, including, as determined under  
 24 such section—

1 “(I) tuition and fees (and other  
2 required expenses); and

3 “(II) housing and food for a stu-  
4 dent participating in institutionally  
5 owned or operated food services or in-  
6 stitutionally owned or operated hous-  
7 ing.

8 “(ii) INDIRECT COSTS.—The total cost  
9 of all items described in section 472 of the  
10 Higher Education Act of 1965 (20 U.S.C.  
11 10871l) that are not billed to the student  
12 by the institution or otherwise required by  
13 the institution for enrollment, including  
14 such total cost disaggregated by the cost of  
15 each such item, including, as determined  
16 under such section—

17 “(I) the component totals each  
18 for housing and food costs for stu-  
19 dents who reside off campus or off  
20 campus with family;

21 “(II) books, supplies, equipment,  
22 course materials, and rental or pur-  
23 chase of a personal computer (if such  
24 expenses are not charged with tuition  
25 and fees); and

1 “(III) transportation.

2 “(B) ACADEMIC PERIOD.—The academic  
3 period covered by the financial aid offer, and an  
4 explanation that the amount of financial aid of-  
5 fered may change—

6 “(i) for academic periods not covered  
7 by the financial aid offer; or

8 “(ii) by program.

9 “(C) ENROLLMENT STATUS.—An indica-  
10 tion of whether cost and aid estimates are  
11 based on full-time or part-time enrollment.

12 “(D) ESTIMATED OR SET.—An indication,  
13 as applicable, about whether the tuition and  
14 fees are estimated based on the previous year,  
15 or are set, for the academic period indicated in  
16 accordance with subparagraph (B).

17 “(2) GRANTS AND SCHOLARSHIPS.—The aggre-  
18 gate amount of grants and scholarships, differen-  
19 tiated by source, that the student does not have to  
20 repay, such as grant aid offered under title IV of the  
21 Higher Education Act of 1965 (20 U.S.C. 1070 et  
22 seq.) and grant aid offered through other Federal  
23 programs, grant and scholarship aid offered by the  
24 institution, grant and scholarship aid offered by the  
25 State, and, if known, grant and scholarship aid from

1 an outside source to the student for such academic  
 2 period, including—

3 “(A) a disclosure that the grants and  
 4 scholarships do not have to be repaid; and

5 “(B) if institutional aid is included—

6 “(i) the conditions under which the  
 7 student can expect to receive similar  
 8 amounts of such financial aid for each aca-  
 9 demic period the student is enrolled at the  
 10 institution; and

11 “(ii) whether the institutional aid  
 12 offer may change if grants or scholarships  
 13 from outside sources are applied after the  
 14 student receives the financial aid offer and,  
 15 to the extent practicable, how that aid may  
 16 change.

17 “(3) NET PRICE.—

18 “(A) IN GENERAL.—The net price that the  
 19 student, or the student’s family on behalf of the  
 20 student, is estimated to have to pay for the stu-  
 21 dent to attend the institution for such academic  
 22 period, equal to—

23 “(i) the cost of attendance as de-  
 24 scribed in paragraph (1)(A) for the stu-

1                   dent for the period indicated in paragraph  
2                   (1)(B); minus

3                   “(ii) the amount of grant and scholar-  
4                   ship aid described in paragraph (2) that is  
5                   included in the financial aid offer.

6                   “(B) DISCLOSURE.—A disclosure that the  
7                   net price is an estimate of the total expenses  
8                   for the year and not equivalent to the amount  
9                   the student will owe directly to the institution.

10                  “(4) LOANS.—

11                  “(A) IN GENERAL.—Information on any  
12                  loan under part D of title IV of the Higher  
13                  Education Act of 1965 (20 U.S.C. 1087a et  
14                  seq.) (except a Federal Direct PLUS Loan  
15                  under part D of that Act) that the institution  
16                  recommends for the student for the academic  
17                  period covered by the financial aid offer, which  
18                  shall be made—

19                  “(i) with clear use of the word ‘loan’  
20                  to describe the recommended loan  
21                  amounts; and

22                  “(ii) with clear labeling of subsidized  
23                  and unsubsidized loans.

24                  “(B) DISCLOSURE ON REPAYMENT.—A  
25                  disclosure that such loans have to be repaid and

a disclosure that the student can borrow a lesser or, if applicable, greater amount than the recommended loan amount.

“(C) DISCLOSURE ON INTEREST RATES AND FEES.—A disclosure that the interest rates and fees on such loans are set annually and affect total cost over time, and a link to a Department of Education website that includes current information on interest rates and fees.

“(D) LINK TO REPAYMENT CALCULATOR.—A link to the Department of Education’s repayment calculator website for students with instruction that this website contains customizable estimates of expected repayment costs under different loan repayment plans.

“(5) PROCESS FOR ACCEPTING, ADJUSTING, OR DECLINING AID AND NEXT STEPS.—

“(A) IN GENERAL.—The deadlines and a summary of the process (including the next steps) for—

“(i) accepting the financial aid offered;

“(ii) adjusting the amount of financial aid offered; and



1 “(iii) declining the financial aid of-  
2 fered.

3 “(B) INFORMATION ON PAYING COSTS.—  
4 Information on when and how costs described  
5 in paragraph (1)(A)(i) must be paid, including  
6 a clear indication of whether such cost is re-  
7 quired or optional for the student.

8 “(C) DISCLOSURE ON VERIFICATION OF  
9 INFORMATION.—A disclosure that verification  
10 of information provided on the Free Application  
11 for Federal Student Aid, or other applicable fi-  
12 nancial aid applications, may require the stu-  
13 dent to submit further documentation.

14 “(D) CONTACT INFORMATION.—Informa-  
15 tion about where a student or the student’s  
16 family can seek additional information regard-  
17 ing the financial aid offered, including contact  
18 information for the institution’s financial aid of-  
19 fice and the Department of Education’s website  
20 on financial aid.

21 “(d) OPTIONAL CONTENTS FOR FINANCIAL AID  
22 OFFER.—A financial aid offer made by an institution of  
23 higher education receiving Federal financial assistance  
24 under the Higher Education Act of 1965 (20 U.S.C. 1001  
25 et seq.) may include, at the institution’s discretion, the

1 information described in paragraphs (1), (2), or (3). If  
 2 an institution does include information described in para-  
 3 graph (1), (2), or (3), such information shall meet the re-  
 4 quirements of the applicable paragraphs.

5 “(1) ADDITIONAL OPTIONS.—Any of the fol-  
 6 lowing, which, if included, shall comply with the re-  
 7 quirements of this paragraph:

8 “(A) Additional options and potential re-  
 9 sources for paying for the amount listed in sub-  
 10 section (c)(3), such as tuition payment plans  
 11 and the terms and conditions of those plans.

12 “(B) A disclosure that Federal Direct  
 13 PLUS Loans made under part D of title IV of  
 14 the Higher Education Act of 1965 (20 U.S.C.  
 15 1087a et seq.), private education loans, or other  
 16 financing products may be available to cover re-  
 17 maining need, except that—

18 “(i) the institution may not include an  
 19 amount for such Federal Direct PLUS  
 20 Loans, private education loans, or other fi-  
 21 nancing products, except as part of a re-  
 22 vised or updated offer provided after such  
 23 loan or financing product has been re-  
 24 quested by the student or parent and ap-  
 25 proved or certified;

1 “(ii) if a Federal Direct PLUS Loan,  
 2 private education loan, or other financing  
 3 product amount is included in accordance  
 4 with clause (i), the institution shall not  
 5 represent the amount of such a loan or fi-  
 6 nancing product in a manner in which that  
 7 amount is commingled with the amount of  
 8 other forms of financial assistance, such as  
 9 those described in paragraphs (2) and (4)  
 10 of subsection (c); and

11 “(iii) the institution shall include a  
 12 disclosure that such loans and agree-  
 13 ments—

14 “(I) are subject to an additional  
 15 application process and have to be re-  
 16 paid by the borrower; and

17 “(II) may not be eligible for all  
 18 the benefits available for Federal Di-  
 19 rect Stafford Loans or Federal Direct  
 20 Unsubsidized Stafford Loans.

21 “(C) Information about the net bill,  
 22 which—

23 “(i) is defined as the amount the stu-  
 24 dent, or the student’s family on behalf of  
 25 the student, is estimated to have to pay di-

rectly to the institution for the academic  
period, equal to—

“(I) the direct costs of attending  
the covered institution as described in  
subsection (c)(1)(A)(i); minus

“(II) the amount of grant and  
scholarship aid described in subsection  
(c)(2) that is included in the financial  
aid offer; and

“(ii) shall include a clear explanation  
of how this net bill amount differs from  
the net price amount described in sub-  
section (c)(3).

“(2) INFORMATION ON PRIVATE EDUCATION  
LOANS AND OTHER FINANCING PRODUCTS.—Infor-  
mation relating to private education loans and other  
financing products, which, if included, shall contain  
the following:

“(A) A disclosure that students consid-  
ering borrowing to cover the cost of attendance  
should consider available Federal student loans  
and compare the terms and repayment options  
prior to accepting private education loans or  
other financing products, including an expla-  
nation that Federal student loans generally

1 offer more flexible repayment and forgiveness  
2 options than private education loans and other  
3 financing products.

4 “(B) The impact of a proposed private  
5 education loan or other financing product on  
6 the student’s potential eligibility for other fi-  
7 nancial assistance, including Federal financial  
8 assistance under title IV of the Higher Edu-  
9 cation Act of 1965 (20 U.S.C. 1070 et seq.).

10 “(C) A statement explaining the student’s  
11 ability to select a private educational lender or  
12 other financing product provider of the stu-  
13 dent’s choice.

14 “(3) STUDENT EMPLOYMENT.—Information on  
15 work-study employment opportunities offered in ac-  
16 cordance with part C of title IV of the Higher Edu-  
17 cation Act of 1965 (20 U.S.C. 1087–51 et seq.), in-  
18 stitutional work-study programs, or State work-  
19 study programs, which, if included shall contain the  
20 following:

21 “(A) The maximum annual amount the  
22 student may earn through the program.

23 “(B) A disclosure that any work-study  
24 amount offered may be—

1 “(i) subject to the availability of quali-  
2 fied employment opportunities upon the  
3 student’s enrollment; and

4 “(ii) disbursed over time as earned by  
5 the student.

6 “(e) ADDITIONAL REQUIREMENTS FOR FINANCIAL  
7 AID OFFERS.—Each financial aid offer made by an insti-  
8 tution of higher education receiving Federal financial as-  
9 sistance under the Higher Education Act of 1965 (20  
10 U.S.C. 1001 et seq.) shall meet the following require-  
11 ments:

12 “(1) The financial aid offer shall include, in ad-  
13 dition to the requirements described in subsection  
14 (c), a concise summary, in plain language, of—

15 “(A) the terms and conditions of financial  
16 aid recommended under paragraphs (2) and (4)  
17 of subsection (c) (and subsection (d)(3), if in-  
18 cluded), and a method to provide students with  
19 additional information about such terms and  
20 conditions, such as links to the supplementary  
21 information; and

22 “(B) Federal, State, or institutional condi-  
23 tions required to receive and renew financial aid  
24 and a method to provide students with addi-

1           tional information about these conditions, such  
2           as links to the supplementary information.

3           “(2) The financial aid offer shall clearly distin-  
4           guish between the aid offered under subsection  
5           (c)(2), subsection (c)(4), and subsection (d)(3) (if  
6           included), by including a subtotal for the aid offered  
7           in each of such paragraphs and by refraining from  
8           commingling the different types of aid described in  
9           such paragraphs.

10          “(3) The financial aid offer shall use standard  
11          terminology and definitions, as described in sub-  
12          section (g)(1) and use plain language where possible.

13          “(4) If an institution’s recommended Federal  
14          student loan aid offered in subsection (c)(4) is less  
15          than the Federal maximum available to the student,  
16          the institution shall provide additional information  
17          on Federal student loans, including the types and  
18          amounts for which the student is eligible in an at-  
19          tached document or web page.

20          “(5) The financial aid offer shall include the  
21          standardized statement regarding the possible avail-  
22          ability of Federal education benefits, as established  
23          by the Secretary in accordance with subsection  
24          (g)(2).

1           “(6) With respect to dependent students, any  
2           reference to private education loans in the financial  
3           aid offer shall be accompanied by—

4                   “(A) information about the availability of,  
5                   and terms and conditions associated with, Fed-  
6                   eral Direct PLUS Loans under part D of title  
7                   IV of the Higher Education Act of 1965 (20  
8                   U.S.C. 1087a et seq.) for the student’s parents  
9                   regardless of family income; and

10                   “(B) a notification of the student’s in-  
11                   creased eligibility for Federal student loans  
12                   under part D of such title if the student’s par-  
13                   ents are not able to borrow under the Federal  
14                   Direct PLUS Loan program under part D of  
15                   such title.

16           “(7) The financial aid offer shall include an ex-  
17           planation of how the indirect costs included in the  
18           financial aid offer pursuant to subsection  
19           (c)(1)(A)(ii) are estimated, and a disclosure that the  
20           student’s actual costs for these items may differ  
21           from the estimated costs.

22           “(8) The financial aid offer shall not include  
23           any net price information except cost of attendance  
24           information in accordance with subsection (c)(1), net  
25           price information in accordance with subsection



1 (c)(3), or (as applicable) net bill information in ac-  
 2 cordance with subsection (d)(1)(C).

3 “(9) The financial aid offer shall not be titled  
 4 or otherwise referred to as an ‘award’.

5 “(f) SUPPLEMENTAL INFORMATION; REMOVAL OF  
 6 INFORMATION.—

7 “(1) SUPPLEMENTAL INFORMATION.—Nothing  
 8 in this section shall preclude an institution of higher  
 9 education receiving Federal financial assistance  
 10 under the Higher Education Act of 1965 (20 U.S.C.  
 11 1001 et seq.) from supplementing the financial aid  
 12 offer with additional information if such additional  
 13 information utilizes the same standard terminology  
 14 identified in subsection (g)(1) and does not mis-  
 15 represent costs, financial aid offered, or net price.

16 “(2) REMOVAL OF INFORMATION.—Nothing in  
 17 this section shall preclude an institution from delet-  
 18 ing a required item on a financial aid offer if—

19 “(A) the student is ineligible for such item;

20 “(B) the institution does not participate in  
 21 the program related to such item; or

22 “(C) the cost of attendance item is not ap-  
 23 plicable to the student.

24 “(g) STANDARD TERMINOLOGY AND DEFINITIONS;  
 25 ADDITIONAL BENEFITS.—

1           “(1) STANDARD TERMINOLOGY AND DEFINI-  
 2           TIONS.—Not later than 9 months after the date of  
 3           enactment of the Improving Financial Aid Offers for  
 4           Students Act, the Secretary of Education, in con-  
 5           sultation with the heads of relevant Federal agen-  
 6           cies, including the Secretary of the Treasury and the  
 7           Director of the Consumer Financial Protection Bu-  
 8           reau, and the individuals and entities described in  
 9           subsection (b), shall establish standard terminology  
 10          and definitions for the terms described in sub-  
 11          sections (c) and (d).

12          “(2) ADDITIONAL BENEFITS.—The Secretary of  
 13          Education, in consultation with the heads of relevant  
 14          Federal agencies, including the Secretary of the  
 15          Treasury, the Secretary of Veterans Affairs, the Sec-  
 16          retary of Defense, and the Director of the Consumer  
 17          Financial Protection Bureau, shall establish stand-  
 18          ard language notifying students that they may be el-  
 19          igible for education benefits (and where students can  
 20          locate more information about such benefits) includ-  
 21          ing benefits in accordance with each of the following:

22                 “(A) Chapter 30, 31, 32, 33, 34, or 35 of  
 23                 title 38, United States Code.

24                 “(B) Chapter 101, 105, 106A, 1606, 1607,  
 25                 or 1608 of title 10, United States Code.

1                   “(C) Section 1784a, 2005, or 2007 of title  
2                   10, United States Code.

3                   “(3) AUTHORITY TO MODIFY.—The Secretary  
4                   of Education may modify the standard terminology  
5                   and definitions for the terms described in sub-  
6                   sections (c) and (d) if such modifications are made  
7                   after consultation with the individuals and entities  
8                   described in subsection (b) and are issued not less  
9                   than 12 months before the Free Application for Fed-  
10                  eral Student Aid for the affected award year first  
11                  becomes available.

12                  “(h) DEVELOPMENT OF MODEL FINANCIAL AID  
13                  OFFER FORM.—

14                  “(1) MODEL FORM.—

15                         “(A) IN GENERAL.—The Secretary of Edu-  
16                         cation shall develop multiple draft financial aid  
17                         offer forms for consumer testing, carry out con-  
18                         sumer testing for such forms, and establish a fi-  
19                         nalized model financial aid offer form, in ac-  
20                         cordance with the process established under this  
21                         subsection and the requirements of this section.

22                         “(B) SEPARATE FINANCIAL AID OFFER  
23                         FORMS.—The Secretary may develop separate  
24                         model financial aid offer forms for—

1 “(i) undergraduate students and grad-  
2 uate students; and

3 “(ii) first-time students and returning  
4 students.

5 “(2) DRAFT MODEL FORM.—Not later than 1  
6 year after the date of enactment of the Improving  
7 Financial Aid Offers for Students Act, the Secretary  
8 of Education, in consultation with the heads of rel-  
9 evant Federal agencies, including the Secretary of  
10 the Treasury and the Director of the Consumer Fi-  
11 nancial Protection Bureau, and the individuals and  
12 entities described in subsection (b), shall design and  
13 produce multiple draft financial aid offer forms for  
14 consumer testing with postsecondary students or  
15 prospective students. In developing those forms, the  
16 Secretary shall ensure—

17 “(A) that the headings described in para-  
18 graphs (1) through (4) of subsection (c) are in  
19 the same font, appear in the same order, and  
20 are displayed prominently on the financial aid  
21 offer form, such that none of that information  
22 is inappropriately omitted or de-emphasized;

23 “(B) that the other information required  
24 in subsection (c) appears in a standard format  
25 and design on the financial aid offer; and

1           “(C) that the institution may include a  
2 logo or brand alongside the title of the financial  
3 aid offer.

4           “(3) CONSUMER TESTING.—

5           “(A) IN GENERAL.—Not later than 1 year  
6 after the date of enactment of the Improving  
7 Financial Aid Offers for Students Act, the Sec-  
8 retary of Education, in consultation with the  
9 heads of relevant Federal agencies, shall estab-  
10 lish a process for consumer testing of the draft  
11 model forms developed under paragraph (2)  
12 among representatives of students (including  
13 low-income students, first-generation college  
14 students, adult students, veterans,  
15 servicemembers, and prospective students), stu-  
16 dents’ families (including low-income families,  
17 families with first-generation college students,  
18 and families with prospective students), institu-  
19 tions of higher education, secondary school and  
20 postsecondary counselors, and nonprofit con-  
21 sumer groups.

22           “(B) PILOT.—During such consumer test-  
23 ing, the Secretary may conduct a pilot in which  
24 eligible institutions, on a voluntary basis, use  
25 the draft forms developed under paragraph (2).

1 “(C) LENGTH OF CONSUMER TESTING.—

2 The Secretary of Education shall ensure that  
3 the consumer testing under this paragraph lasts  
4 no longer than 1 year after the process for con-  
5 sumer testing is developed under subparagraph  
6 (A).

7 “(4) FINAL MODEL FORM.—

8 “(A) IN GENERAL.—The results of con-  
9 sumer testing under paragraph (3) shall be  
10 used in the final development of the model fi-  
11 nancial aid offer form.

12 “(B) REPORTING REQUIREMENT.—Not  
13 later than 3 months after the date the con-  
14 sumer testing under paragraph (3) concludes,  
15 the Secretary of Education shall submit to Con-  
16 gress and publish on its website the final model  
17 financial aid offer form and a report detailing  
18 the results of such testing, including whether  
19 the Secretary of Education added any addi-  
20 tional items to the model financial aid offer.

21 “(5) AUTHORITY TO MODIFY.—The Secretary  
22 of Education may modify or remove the definitions,  
23 terms, formatting, or design of the model financial  
24 aid offer form based on the results of consumer test-  
25 ing required under this subsection and before final-

1        izing the model form, or in subsequent consumer  
 2        testing. The Secretary may also recommend addi-  
 3        tional changes to Congress.”.

4    **SEC. 3. MANDATORY USE OF TERMS; FINANCIAL AID OFFER**  
 5                    **FORM REQUIREMENTS.**

6        (a) IN GENERAL.—Part B of title I of the Higher  
 7        Education Act of 1965 (20 U.S.C. 1011 et seq.) is amend-  
 8        ed by adding at the end the following:

9    **“SEC. 124. USE OF MANDATORY FINANCIAL AID OFFER**  
 10                    **TERMS.**

11        “(a) IN GENERAL.—Notwithstanding any other pro-  
 12        vision of law, each institution of higher education that re-  
 13        ceives Federal financial assistance under this Act shall use  
 14        the standard terminology and definitions developed by the  
 15        Secretary of Education under subsection (g)(1) of section  
 16        484 of the Higher Education Opportunity Act (20 U.S.C.  
 17        1092 note) for all communications from the institution re-  
 18        lated to financial aid offers (as defined in subsection (a)  
 19        of such section), regardless of whether such communica-  
 20        tions are electronic, written, or through another medium.

21        “(b) EFFECTIVE DATE.—The requirements under  
 22        this section shall take effect on the first date on which  
 23        the Secretary releases the Free Application for Federal  
 24        Student Aid for the applicable award year associated with  
 25        that application, that occurs later than 1 year after the

1 Secretary of Education finalizes the standard terminology  
 2 and model form developed in accordance with section 484  
 3 of the Higher Education Opportunity Act (20 U.S.C. 1092  
 4 note).

5 “(c) ADMINISTRATIVE PROCEDURES.—Section 492  
 6 shall not apply with respect to regulations promulgated  
 7 in accordance with this section.

8 **“SEC. 125. REQUIREMENTS FOR FINANCIAL AID OFFER**  
 9 **FORMS.**

10 “(a) IN GENERAL.—Beginning on July 1 following  
 11 the effective date of section 124, and annually thereafter,  
 12 each institution of higher education that receives Federal  
 13 financial assistance under this Act shall submit to the Sec-  
 14 retary a template of the form (without any student data)  
 15 that the institution uses for financial aid offers (as defined  
 16 in section 484(a) of the Higher Education Opportunity  
 17 Act) to enrolled and prospective students. Institutions that  
 18 use electronic systems to communicate financial aid offers  
 19 may submit digital representations (such as screenshots)  
 20 of those systems.

21 “(b) FORMS.—Such institutions shall—

22 “(1) use the model financial aid offer form de-  
 23 veloped pursuant to section 484(h) of the Higher  
 24 Education Opportunity Act (20 U.S.C. 1092 note);  
 25 or



1           “(2) use the institution’s own form for financial  
2       aid offers if that form meets the requirements of  
3       subsections (c), (d), and (e) of such section and uses  
4       the required terminology and definitions in accord-  
5       ance with section 124.

6       “(c) PUBLIC AVAILABILITY.—The Secretary shall  
7       make each template received under this section publicly  
8       available.”.

9       (b) FINANCIAL AID OFFER COMPLIANCE.—Section  
10      485(a) of the Higher Education Act of 1965 (20 U.S.C.  
11      1092(a)) is amended by adding at the end the following:

12           “(8) Each eligible institution participating in  
13      any program under this title shall ensure that any  
14      financial aid offer (as defined in section 484(a) of  
15      the Higher Education Opportunity Act) commu-  
16      nicated to a prospective or enrolled student complies  
17      with the requirements of sections 124 and 125.”.

18   **SEC. 4. GAO STUDY.**

19       Not later than 1 year after the date on which the  
20      financial aid offer form templates of institutions of higher  
21      education are submitted to the Secretary of Education in  
22      accordance with section 125 of the Higher Education Act  
23      of 1965, as added by section 3 of this Act, the Comptroller  
24      General of the United States shall prepare and submit to  
25      Congress, and make publicly available, an initial study of

1 such financial aid offer form templates, and 3 years after  
 2 the initial study is submitted to Congress, the Comptroller  
 3 General shall submit a final study examining such tem-  
 4 plates. Both studies shall include recommendations about  
 5 how to improve such templates, as appropriate. Additional  
 6 studies of such financial aid offer form templates may be  
 7 conducted, as determined necessary by the Comptroller  
 8 General or the Chair or Ranking Member of the Com-  
 9 mittee on Health, Education, Labor, and Pensions of the  
 10 Senate or the Committee on Education and Workforce of  
 11 the House of Representatives.

12 **SEC. 5. RULES OF CONSTRUCTION.**

13 (a) NO AUTHORIZATION FOR APPROVAL OR MAN-  
 14 DATED FORMS.—Nothing in this Act, or the amendments  
 15 made by this Act, shall be construed to authorize the Sec-  
 16 retary of Education to—

17 (1) require that a postsecondary educational in-  
 18 stitution receive approval from the Department of  
 19 Education, or any other Federal agency, for the in-  
 20 stitution’s financial aid offer; or

21 (2) regulate or require a mandated standard fi-  
 22 nancial aid offer.

23 (b) ADDITIONAL RESOURCES.—Any requirements in  
 24 this Act, and the amendments made by this Act, for a  
 25 financial aid offer to contain certain information may be

1 satisfied through the inclusion of specific and relevant  
2 website links or additional resources that contain such in-  
3 formation, provided that the dollar amounts of direct and  
4 indirect costs (as described in paragraph (1) of subsection  
5 (c) of section 484 of the Higher Education Opportunity  
6 Act (20 U.S.C. 1092 note)), grants and scholarships (as  
7 described in paragraph (2) of such subsection), and net  
8 price (as described in paragraph (3) of such subsection)  
9 are stated in the financial aid offer.

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