

105TH CONGRESS
1ST SESSION

H. R. 2672

To amend the Higher Education Act of 1965 to prevent Federal student assistance need analysis from penalizing parents for investing in prepaid tuition programs.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 9, 1997

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

A BILL

To amend the Higher Education Act of 1965 to prevent Federal student assistance need analysis from penalizing parents for investing in prepaid tuition programs.

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; REFERENCE.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Tuition Investment Planning Protection Act of 1997”.

6 (b) REFERENCE.—Except as otherwise expressly pro-
7 vided, whenever in this Act an amendment or repeal is
8 expressed in terms of an amendment to, or repeal of, a
9 section or other provision, the reference shall be consid-

1 ered to be made to a section or other provision of the
 2 Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

3 **SEC. 2. TREATMENT OF PREPAID TUITION PLANS.**

4 (a) TUITION PLANS NOT TREATED AS FINANCIAL
 5 AID.—Section 480(j) (20 U.S.C. 1087vv(j)) is amended
 6 by striking paragraph (2) and inserting the following:

7 “(2) For purposes of determining a student’s eligi-
 8 bility for funds under this title, tuition prepayment plans
 9 shall not be considered estimated financial assistance.”.

10 (b) TUITION PLANS TREATED AS ASSETS.—Section
 11 480(f) is amended by adding at the end the following new
 12 paragraph:

13 “(3) With respect to determinations of need under
 14 this title, any tuition prepayment plan shall, in accordance
 15 with regulations prescribed by the Secretary, be treated—

16 “(A) as an asset of the parents, in the case of
 17 a dependent student; or

18 “(B) as an asset of the student, in the case of
 19 an independent student (with or without depend-
 20 ents).”.

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