

105TH CONGRESS  
2D SESSION

# S. 2490

To prohibit postsecondary educational institutions from requiring the purchase of goods and services from on-campus businesses, intentionally withholding course information from off-campus businesses, or preventing students from obtaining course information or materials from off-campus businesses.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 17, 1998

Mr. FAIRCLOTH introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

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## A BILL

To prohibit postsecondary educational institutions from requiring the purchase of goods and services from on-campus businesses, intentionally withholding course information from off-campus businesses, or preventing students from obtaining course information or materials from off-campus businesses.

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. PROHIBITION.**

4       (a) IN GENERAL.—The Secretary of Education shall  
5       ensure that each Federal department or agency, and each  
6       State or private entity that receives Federal education

1 funds, does not provide any financial aid to a postsecond-  
 2 ary educational institution, or to a student attending a  
 3 postsecondary educational institution, if the institution di-  
 4 rectly or indirectly—

5 (1) requires the purchase of goods and services  
 6 from an on-campus business;

7 (2) permits more favorable treatment of, or  
 8 more favorable promotional opportunities for, an on-  
 9 campus business than for an off-campus business;

10 (3) withholds, or unreasonably delays the provi-  
 11 sion of, any accurate or complete course-related in-  
 12 formation, including textbook requirements, from or  
 13 to an off-campus business; or

14 (4) impedes a student's access to course-related  
 15 information or course materials at an off-campus  
 16 business.

17 (b) DEFINITIONS.—

18 (1) FINANCIAL AID.—The term “financial aid”  
 19 means any form of postsecondary financial assist-  
 20 ance, including graduate financial assistance, that—

21 (A) is provided or supported by a Federal  
 22 department or agency, or a State or private en-  
 23 tity;

24 (B) benefits a student, a parent of the stu-  
 25 dent, or a legal guardian of the student;

1 (C) aids in the affordability of postsecond-  
 2 ary education or improves access to postsecond-  
 3 ary education; and

4 (D) may include a grant, a loan, a scholar-  
 5 ship, a work study program, a tax credit, de-  
 6 duction, waiver, or benefit program, a bond pro-  
 7 gram, a financial incentive, or a funding device.

8 (2) GOODS AND SERVICES.—The term “goods  
 9 and services” means any form of goods or services,  
 10 including textbooks, books, course packs, or student  
 11 or faculty materials and supplies, generally phys-  
 12 ically inventoried and retailed in a campus-area mar-  
 13 ketplace and offered for sale, rent, lease, consump-  
 14 tion, or use in the campus-area marketplace.

15 (3) OFF-CAMPUS BUSINESS.—The term “off-  
 16 campus business” means a private store, enterprise,  
 17 or a business-like establishment that is—

18 (A) not located on the campus of a post-  
 19 secondary educational institution, but is phys-  
 20 ically located within the campus-area market-  
 21 place; and

22 (B) makes available any goods and services  
 23 to students, including prospective students, of a  
 24 postsecondary educational institution located  
 25 within the campus-area marketplace.

1           (4) ON-CAMPUS BUSINESS.—The term “on-  
2       campus business” means a store, enterprise, or a  
3       business-like establishment, that—

4                   (A) is physically located in or on any prop-  
5       erty leased or owned by a postsecondary edu-  
6       cational institution or by a State government  
7       unit associated with the institution, whether the  
8       store, enterprise or establishment is operated,  
9       leased or owned by the institution, another in-  
10      stitution, a State government unit, or another  
11      entity; and

12                  (B) makes available any goods and services  
13      to students, including prospective students.

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