

108TH CONGRESS
1ST SESSION

H. R. 3311

To amend the Higher Education Act of 1965 to address the rising cost
of postsecondary education.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 16, 2003

Mr. McKEON (for himself, Mr. BOEHNER, Mr. ISAKSON, Mr. PETRI, Mr. COLE, and Mr. DUNCAN) 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 address
the rising cost of postsecondary education.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Affordability in Higher Education Act of 2003”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Reference; effective date.

TITLE I—COLLEGE AFFORDABILITY INDEX

Sec. 101. Establishment of index.

“Sec. 131. Consumer information and public accountability in higher education.”

TITLE II—INNOVATIVE APPROACHES TO HIGHER EDUCATION

Sec. 201. College Affordability Demonstration Program.

“Sec. 486A. College Affordability Demonstration Program.”

TITLE III—TRANSFER OF CREDIT

Sec. 301. Requirement relating to credit transfer.

TITLE IV—SENSE OF CONGRESS

Sec. 401. Regulatory burden impact on tuition and fees.

1 **SEC. 2. REFERENCE; EFFECTIVE DATE.**

2 (a) REFERENCE.—Except as otherwise expressly pro-
3 vided in this Act, whenever in this Act an amendment or
4 repeal is expressed in terms of an amendment to, or repeal
5 of, a section or other provision, the reference shall be con-
6 sidered to be made to a section or other provision of the
7 Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

8 (b) EFFECTIVE DATE.—Except as otherwise provided
9 in this Act, the amendments made by this Act shall take
10 effect on the date of enactment of this Act.

11 **TITLE I—COLLEGE** 12 **AFFORDABILITY INDEX**

13 **SEC. 101. ESTABLISHMENT OF INDEX.**

14 Section 131 (20 U.S.C. 1015) is amended to read as
15 follows:

16 **“SEC. 131. CONSUMER INFORMATION AND PUBLIC AC-**
17 **COUNTABILITY IN HIGHER EDUCATION.**

18 “(a) DATA COLLECTION.—

1 “(1) DATA SYSTEMS.—The Secretary shall con-
2 tinue to redesign the relevant parts of the postsec-
3 ondary education data systems to include additional
4 data as required by this section and to continue to
5 improve the usefulness and timeliness of data col-
6 lected by such systems.

7 “(2) INFORMATION FROM INSTITUTIONS.—The
8 Commissioner of Education Statistics shall collect,
9 for each academic year and in accordance with
10 standard definitions developed by the Commissioner
11 of Education Statistics (including definitions devel-
12 oped under section 131(a)(3)(A) as in effect on the
13 day before the date of enactment of the Affordability
14 in Higher Education Act of 2003), from at least all
15 institutions of higher education participating in pro-
16 grams under title IV, and such institutions shall
17 provide, the following data:

18 “(A) the tuition and fees charged for a
19 full-time undergraduate student;

20 “(B) the room and board charges for such
21 a student;

22 “(C) the cost of attendance for a full-time
23 undergraduate student, consistent with the pro-
24 visions of section 472;

1 “(D) the average amount of financial as-
2 sistance received by a full-time undergraduate
3 student, including—

4 “(i) each type of assistance or benefits
5 described in 428(a)(2)(C)(ii);

6 “(ii) fellowships;

7 “(iii) institutional and other assist-
8 ance;

9 “(iv) loans under parts B and D;

10 “(E) the number of students receiving fi-
11 nancial assistance described in each clause of
12 subparagraph (D); and

13 “(F) the institutional instructional expend-
14 iture per full-time equivalent student.

15 “(b) DATA DISSEMINATION.—The Secretary shall
16 make available the data collected pursuant to this section,
17 including an institution’s college affordability index as cal-
18 culated in accordance with subsection (c), and its afford-
19 ability alert status (if required under subsection
20 (d)(3)(A)(ii)). Such data shall be made available in a man-
21 ner that permits the review and comparison of data sub-
22 missions of individual institutions of higher education.
23 Such data shall be presented in a form that is easily acces-
24 sible and understandable and allows parents and students
25 to make informed decisions based on the prices for typical

1 full-time undergraduate students and the institution's rate
2 of cost increase.

3 “(c) COLLEGE AFFORDABILITY INDEX.—

4 “(1) IN GENERAL.—The Secretary shall, on the
5 basis of the data submitted under subsection (a),
6 calculate a college affordability index for each insti-
7 tution of higher education submitting such data and
8 shall make the index available in accordance with
9 subsection (b) as soon as operationally possible on
10 the Department's college opportunity on line
11 website.

12 “(2) CALCULATION OF INDEX.—The college af-
13 fordability index shall be equal to—

14 “(A) the percentage increase in the tuition
15 and fees charged for a first-time, full-time, full-
16 year undergraduate student between the first of
17 3 most recent preceding academic years and the
18 last of those 3 academic years, divided by

19 “(B) the percentage increase in the Con-
20 sumer Price Index-All Urban Consumers (Cur-
21 rent Series) from July of the first of those 3
22 academic years to July of the last of those 3
23 academic years.

24 “(d) OUTCOMES AND ACTIONS.—

1 “(1) RESPONSE FROM INSTITUTION.—Effective
2 on June 30, 2008, an institution that has a college
3 affordability index that exceeds 2.0 for any 3-year
4 interval ending on or after that date shall provide a
5 report to the Secretary, in such a form, at such
6 time, and containing such information as the Sec-
7 retary may require. Such report shall include—

8 “(A) an explanation of the factors contrib-
9 uting to the increase in the institution’s costs
10 and in the tuition and fees charged to students;

11 “(B) a management plan stating the spe-
12 cific steps the institution is and will be taking
13 to reduce its college affordability index;

14 “(C) an action plan, including a schedule,
15 by which the institution will reduce increases in
16 or stabilize, such costs and tuition and fees; and

17 “(D) if determinations of tuition and fee
18 increases are not within the exclusive control of
19 the institution, a description of the agency or
20 instrumentality of State government or other
21 entity that participates in such determinations
22 and the authority exercised by such agency, in-
23 strumentality, or entity.

24 “(2) INFORMATION TO THE PUBLIC.—Upon re-
25 ceipt of the institution’s report and management

1 plan under paragraph (1), the Secretary shall make
2 the institution's report required under paragraph (1)
3 available to the public in accordance with subsection
4 (b).

5 “(3) CONSEQUENCES OF FAILURE TO REDUCE
6 COLLEGE AFFORDABILITY INDEX.—

7 “(A) CONSEQUENCES FOR TWO YEAR CON-
8 TINUATION OF FAILURE.—If the Secretary de-
9 termines that the institution has failed to com-
10 ply with the management plan and action plan
11 submitted by the institution under this sub-
12 section following the next 2 academic years that
13 begin after the submission of such plan, and
14 has failed to reduce the college affordability
15 index below 2.0 for such 2 academic years, the
16 Secretary—

17 “(i) shall make available to the public
18 a detailed report provided by the institu-
19 tion on all costs and expenditures and on
20 all tuition and fees charged to students;

21 “(ii) shall place the institution on an
22 affordability alert status and shall make
23 the information regarding the institution's
24 failure available in accordance with sub-
25 section (b);

1 “(iii) shall notify the institution’s ac-
2 crediting agency of the institution’s failure;
3 and

4 “(iv) may require the institution to
5 submit to a review and audit by the In-
6 spector General of the Department of Edu-
7 cation to determine the cause of the insti-
8 tution’s failure.

9 “(B) LOSS OF ELIGIBILITY TO PARTICI-
10 PATE.—If the Secretary determines that the
11 failure to reduce the college affordability index
12 below 2.0 has continued for 3 academic years
13 after the submission of the management plan,
14 the Secretary shall provide reasonable notice to
15 the institution of action to be taken, after op-
16 portunity for a hearing, to remove the institu-
17 tion from participation in all the programs
18 under title IV, other than under subpart 1 of
19 part A, and parts B and D. No such removal
20 shall, in the case of any grant awarded for a
21 multiyear term prior to such removal, result in
22 the termination of such grant before the end of
23 such term.

24 “(C) INAPPLICABILITY OF LOAN LIMIT IN-
25 CREASES.—Notwithstanding subparagraph (B)

1 and the provisions on annual and aggregate
2 loan limits in parts B and D, no increase in
3 loan limits under part B or D of title IV that
4 is enacted by Congress after the date of enact-
5 ment of this section shall apply to a loan to
6 cover the cost of attendance at an institution
7 that has lost eligibility to participate in other
8 programs pursuant to subparagraph (B).

9 “(D) REGAINING ELIGIBILITY.—The Sec-
10 retary shall prescribe procedures by which an
11 institution that reduces its college affordability
12 index may regain eligibility for participation
13 after any removal from participation under sub-
14 paragraph (B).

15 “(4) INFORMATION TO STATE AGENCIES.—Any
16 institution that reports under paragraph (1)(C) that
17 an agency or instrumentality of State government or
18 other entity participates in the determinations of tui-
19 tion and fee increases shall, prior to submitting any
20 information to the Secretary under this subsection,
21 submit such information to, and request the com-
22 ments and input of, such agency, instrumentality, or
23 entity. With respect to any such institution, the Sec-
24 retary shall provide a copy of any communication by

1 the Secretary with that institution to such agency,
2 instrumentality, or entity.

3 “(5) EXEMPTIONS.—

4 “(A) RELATIVE PRICE EXEMPTION.—The
5 Secretary shall, for any 3-year interval for
6 which college affordability indexes are computed
7 under paragraph (1), determine and publish the
8 dollar amount that, for each class of institution
9 described in subparagraph (C) of this para-
10 graph, represents the maximum tuition and fees
11 charged for a full-time undergraduate student
12 by the least costly quartile of institutions within
13 each such class during the last year of such 3-
14 year interval. An institution that has a college
15 affordability index computed under paragraph
16 (1) that exceeds 2.0 for any such 3-year inter-
17 val, but that, on average during such 3-year in-
18 terval, charges less than such maximum tuition
19 and fees shall not be subject to the actions re-
20 quired by subparagraph (B) or (C) of para-
21 graph (1), or any action under paragraph (3),
22 unless such institution, for a subsequent 3-year
23 interval, charges more than such maximum tui-
24 tion and fees.

1 “(B) DOLLAR INCREASE EXEMPTION.—An
2 institution that has a college affordability index
3 computed under paragraph (1) that exceeds 2.0
4 for any 3-year interval, but that exceeds such
5 2.0 by a dollar amount that is less than \$500,
6 shall not be subject to the actions required by
7 subparagraph (B) or (C) of paragraph (1), or
8 any action under paragraph (3), unless such in-
9 stitution has a college affordability index for a
10 subsequent 3-year interval that exceeds 2.0 by
11 more than such dollar amount.

12 “(C) CLASSES OF INSTITUTIONS.—For
13 purposes of subparagraph (B), the classes of in-
14 stitutions shall be those sectors used by the in-
15 tegrated postsecondary education data system,
16 based on whether the institution is public, non-
17 profit private, or for-profit private, and whether
18 the institution has a 4-year, 2-year, or less than
19 2-year program of instruction.

20 “(e) FINES.—In addition to actions authorized in
21 section 487(c), the Secretary may impose a fine in an
22 amount not to exceed \$25,000 on an institution of higher
23 education for failing to provide the information described
24 in this section in a timely and accurate manner, or for
25 failing to otherwise cooperate with the National Center for

1 Education Statistics regarding efforts to obtain data on
2 the cost and price of higher education under this section
3 and pursuant to the program participation agreement en-
4 tered into under section 487.

5 “(f) GAO STUDY AND REPORT.—

6 “(1) GAO STUDY.—The Comptroller General
7 shall conduct a study of the policies and procedures
8 implemented by institutions in increasing the afford-
9 ability of postsecondary education. Such study shall
10 include information with respect to—

11 “(A) a list of those institutions that—

12 “(i) have reduced their college afford-
13 ability indexes; or

14 “(ii) are, as determined under sub-
15 section (d)(5)(A), within the least costly
16 quartile of institutions within each class
17 described in subsection (d)(5)(C);

18 “(B) policies implemented to stem the in-
19 crease in tuition and fees and institutional
20 costs;

21 “(C) the extent to which room and board
22 costs and prices changed;

23 “(D) the extent to which other services
24 were altered to affect tuition and fees;

1 “(E) the extent to which the institution’s
2 policies affected student body demographics;

3 “(F) what, if any, operational factors
4 played a role in reducing tuition and fees;

5 “(G) the extent to which academic quality
6 was affected, and how;

7 “(H) the extent to which policies and prac-
8 tices reducing costs and prices may be rep-
9 licated from one institution to another; and

10 “(I) other information as necessary to de-
11 termine best practices in increasing the afford-
12 ability of postsecondary education.

13 “(2) FINAL REPORT.—The Comptroller General
14 shall submit a report regarding the findings of the
15 study required by paragraph (2) to the appropriate
16 authorizing committees of Congress not later than
17 July 31, 2010.

18 “(g) STUDENT AID RECIPIENT SURVEY.—

19 “(1) SURVEY REQUIRED.—The Secretary shall
20 conduct a survey of student aid recipients under title
21 IV on a regular and State-by-State basis, but not
22 less than once every 4 years—

23 “(A) to identify the population of students
24 receiving Federal student aid;

1 “(B) to describe the income distribution
2 and other socioeconomic characteristics of fed-
3 erally aided students;

4 “(C) to describe the combinations of aid
5 from State, Federal, and private sources re-
6 ceived by students from all income groups;

7 “(D) to describe the debt burden of edu-
8 cational loan recipients and their capacity to
9 repay their education debts, and the impact of
10 such debt burden on career choices;

11 “(E) to describe the role played by the
12 price of postsecondary education in the deter-
13 mination by students of what institution to at-
14 tend; and

15 “(F) to describe how the increased costs of
16 textbooks and other instructional materials af-
17 fects the costs of postsecondary education to
18 students.

19 “(2) SURVEY DESIGN.—The survey shall be
20 representative of full-time and part-time, under-
21 graduate, graduate, and professional and current
22 and former students in all types of institutions, and
23 designed and administered in consultation with the
24 Congress and the postsecondary education commu-
25 nity.

1 “(3) DISSEMINATION.—The Secretary shall dis-
 2 seminate the information resulting from the survey
 3 in both printed and machine readable form.

4 “(h) REGULATIONS.—The Secretary is authorized to
 5 issue such regulations as may be necessary to carry out
 6 the provisions of this section.”.

7 **TITLE II—INNOVATIVE AP-**
 8 **PROACHES TO HIGHER EDU-**
 9 **CATION**

10 **SEC. 201. COLLEGE AFFORDABILITY DEMONSTRATION PRO-**
 11 **GRAM.**

12 Part G of title IV is amended by inserting after sec-
 13 tion 486 (20 U.S.C. 1093) the following new section:

14 **“SEC. 486A. COLLEGE AFFORDABILITY DEMONSTRATION**
 15 **PROGRAM.**

16 “(a) PURPOSE.—It is the purpose of this section—

17 “(1) to provide, through a college affordability
 18 demonstration program, for increased innovation in
 19 the delivery of higher education and student finan-
 20 cial aid in a manner resulting in reduced costs for
 21 students as well as the institution by accelerating
 22 degree or program completion, increasing availability
 23 of, and access to, distance components of education
 24 delivery, and other alternative methodologies; and

25 “(2) to help determine—

1 “(A) the most effective means of delivering
2 student financial aid as well as quality edu-
3 cation;

4 “(B) the specific statutory and regulatory
5 requirements that should be altered to provide
6 for more efficient and effective delivery of stu-
7 dent financial aid, as well as access to high
8 quality distance education programs, resulting
9 in a student more efficiently completing post-
10 secondary education; and

11 “(C) the most effective methods of obtain-
12 ing and managing institutional resources.

13 “(b) DEMONSTRATION PROGRAM AUTHORIZED.—

14 “(1) IN GENERAL.—In accordance with the
15 purposes described in subsection (a) and the provi-
16 sions of subsection (d), the Secretary is authorized
17 to select not more than 100 institutions of higher
18 education or systems of such institutions for vol-
19 untary participation in the College Affordability
20 Demonstration Program in order to enable partici-
21 pating institutions to carry out such purposes by
22 providing programs of postsecondary education, and
23 making available student financial assistance under
24 this title to students enrolled in those programs, in

1 a manner that would not otherwise meet the require-
2 ments of this title.

3 “(2) WAIVERS.—The Secretary is authorized to
4 waive for any institutions of higher education, or
5 any system or consortia of institutions of higher
6 education, selected for participation in the College
7 Affordability Demonstration Program, any require-
8 ments of this Act or the regulations thereunder as
9 deemed necessary by the Secretary to meet the pur-
10 pose described in subsection (a)(1).

11 “(3) ELIGIBLE APPLICANTS.—

12 “(A) ELIGIBLE INSTITUTIONS.—Except as
13 provided in subparagraphs (B) and (C), only an
14 institution of higher education that is eligible to
15 participate in programs under this title shall be
16 eligible to participate in the demonstration pro-
17 gram authorized under this section.

18 “(B) PROHIBITION.—An institution of
19 higher education described in section
20 102(a)(1)(C) shall not be eligible to participate
21 in the demonstration program authorized under
22 this section.

23 “(C) SPECIAL RULE.—Subject to subpara-
24 graph (B), an institution of higher education
25 that meets the requirements of subsection (a) of

1 section 102, other than the requirement of
2 paragraph (3)(A) or (3)(B) of such subsection,
3 and that provides a 2-year or 4-year program of
4 instruction for which the institution awards an
5 associate or baccalaureate degree, shall be eligi-
6 ble to participate in the demonstration program
7 authorized under this section.

8 “(c) APPLICATION.—

9 “(1) IN GENERAL.—Each institution or system
10 of institutions desiring to participate in the dem-
11 onstration program under this section shall submit
12 an application to the Secretary at such time and in
13 such manner as the Secretary may require.

14 “(2) CONTENTS OF APPLICATIONS.—Each ap-
15 plication for the college affordability demonstration
16 program shall include at least the following:

17 “(A) a description of the institution or sys-
18 tem of institutions and what quality assurance
19 mechanisms are in place to insure the integrity
20 of the federal financial aid programs;

21 “(B) a description of each regulatory or
22 statutory requirement for which waivers are
23 sought, with a reason for each waiver;

24 “(C) a description of the programs being
25 offered and the affected students;

1 “(D) a description of the expected out-
2 comes of the program changes proposed, includ-
3 ing the estimated reductions in costs both for
4 the institution and for students;

5 “(E) a description of any collaborative ar-
6 rangements with other institutions or organiza-
7 tions to reduce costs;

8 “(F) a description of any expected eco-
9 nomic impact of participation in the program
10 within the community in which the institution is
11 located;

12 “(G) a description of how the institution
13 will reduce the costs of instructional materials,
14 including textbooks;

15 “(H) an assurance that the participating
16 institution or system of institutions will offer
17 full cooperation with the ongoing evaluations of
18 the demonstration program provided for in this
19 section; and

20 “(I) any other information or assurances
21 the Secretary may require.

22 “(d) SELECTION.—In selecting institutions to partici-
23 pate in the demonstration program under this section, the
24 Secretary shall take into account—

1 “(1) the number and quality of applications re-
2 ceived, determined on the basis of the contents re-
3 quired by subsection (c)(2);

4 “(2) the Department’s capacity to oversee and
5 monitor each institution’s participation;

6 “(3) an institution’s—

7 “(A) financial responsibility;

8 “(B) administrative capability;

9 “(C) program or programs being offered
10 via distance education;

11 “(D) student completion rates; and

12 “(E) student loan default rates; and

13 “(4) ensuring the participation of a diverse
14 group of institutions with respect to size, mission,
15 and geographic distribution.

16 “(e) NOTIFICATION.—The Secretary shall make
17 available to the public and to the Committee on Health,
18 Education, Labor, and Pensions of the Senate and the
19 Committee on Education and the Workforce of the House
20 of Representatives a list of institutions and systems of in-
21 stitutions selected to participate in the demonstration pro-
22 gram authorized by this section. Such notice shall include
23 a listing of the specific statutory and regulatory require-
24 ments being waived for each institution or system of insti-

1 tutions and a description of the distance education courses
2 to be offered.

3 “(f) EVALUATIONS AND REPORTS.—

4 “(1) EVALUATION.—The Secretary shall evalu-
5 ate the demonstration program authorized under
6 this section on a biennial basis. Such evaluations
7 specifically shall review—

8 “(A) the number and types of students
9 participating in the programs offered, including
10 the progress of participating students toward
11 recognized certificates or degrees and the extent
12 to which participation in such programs in-
13 creased;

14 “(B) issues related to student financial as-
15 sistance for distance education;

16 “(C) effective technologies and alternative
17 methodologies for delivering student financial
18 assistance;

19 “(D) the extent of the cost savings to the
20 institution, the student, and the Federal Gov-
21 ernment by virtue of the waivers provided, and
22 an estimate as to future cost savings should the
23 demonstration program continue;

1 “(E) the extent to which students saved
2 money by virtue of completing their postsec-
3 ondary education sooner;

4 “(F) the extent to which the institution re-
5 duced its tuition and fees and its costs by virtue
6 of participation in the demonstration program;

7 “(G) the extent to which any collaborative
8 arrangements with other institutions or organi-
9 zations have reduced the participating institu-
10 tion’s costs; and

11 “(H) the extent to which statutory or reg-
12 ulatory requirements not waived under the dem-
13 onstration program present difficulties for stu-
14 dents or institutions.

15 “(2) POLICY ANALYSIS.—The Secretary shall
16 review current policies and identify those policies
17 that present impediments to the development and
18 use of distance education and other nontraditional
19 methods of expanding access to education.

20 “(3) REPORTS.—The Secretary shall provide a
21 report to the Committee on Health, Education,
22 Labor, and Pensions of the Senate and the Com-
23 mittee on Education and the Workforce of the
24 House of Representatives on an annual basis regard-
25 ing—

1 “(A) the demonstration program author-
2 ized under this section;

3 “(B) the results of the evaluations con-
4 ducted under subsection (f);

5 “(C) the cost savings to the Federal Gov-
6 ernment by the demonstration program author-
7 ized by this section; and

8 “(D) recommendations for policy, statu-
9 tory, or regulatory changes to increase the effi-
10 ciency and effective delivery of financial aid.

11 “(g) OVERSIGHT.—In conducting the demonstration
12 program authorized under this section, the Secretary
13 shall, on a continuing basis—

14 “(1) ensure compliance of institutions or sys-
15 tems of institutions with the requirements of this
16 title (other than the sections and regulations that
17 are waived under subsection (b)(2));

18 “(2) provide technical assistance to institutions
19 in their application to and participation in the dem-
20 onstration program;

21 “(3) monitor fluctuations in the student popu-
22 lation enrolled in the participating institutions or
23 systems of institutions;

24 “(4) monitor changes in financial assistance
25 provided at the institution; and

1 “(5) consult with appropriate accrediting agen-
2 cies or associations and appropriate State regulatory
3 authorities.

4 “(h) TERMINATION OF AUTHORITY.—The authority
5 of the Secretary under this section shall cease to be effec-
6 tive on October 1, 2010.”.

7 **TITLE III—TRANSFER OF** 8 **CREDIT**

9 **SEC. 301. REQUIREMENT RELATING TO CREDIT TRANSFER.**

10 (a) PROGRAM PARTICIPATION AGREEMENTS.—Sec-
11 tion 487(a) (20 U.S.C. 1094(a)) is amended by adding
12 at the end the following new paragraph:

13 “(24)(A) The institution will not exclude the
14 transfer of credits earned by a student completing
15 courses or programs at other eligible institutions of
16 higher education solely on the basis of the agency or
17 association that accredited such other eligible insti-
18 tution if that agency or association is recognized by
19 the Secretary pursuant to section 496 to be a reli-
20 able authority as to the quality of the education or
21 training offered and is currently listed by the Sec-
22 retary pursuant to section 101(c).

23 “(B) The institution will base decisions on
24 whether to accept such credits on the basis of wheth-
25 er (i) the courses or programs are equivalent in con-

1 tent to the courses or programs offered by the insti-
2 tution, and (ii) the student completed such courses
3 or programs at the institution's required level of
4 proficiency.

5 “(C) The institution will report publicly, on an
6 annual as well as a three-year rolling average basis,
7 the percentage of credits accepted in transfer and
8 fully counted toward the degree or certificate com-
9 pletion requirements of undergraduate students.
10 Such data shall be disaggregated to report on the
11 following categories of institutions from which cred-
12 its were accepted in transfer: (i) nationally accred-
13 ited; (ii) regionally accredited in the same State; (iii)
14 regionally accredited in the same region; and (iv) re-
15 gionally accredited in a different region.”.

16 (b) ACCREDITING AGENCY AND ASSOCIATION RE-
17 QUIREMENTS.—Section 496(a) (20 U.S.C. 1099b(a)) is
18 amended—

19 (1) by striking “and” at the end of paragraph
20 (7);

21 (2) by striking the period at the end of para-
22 graph (8) and inserting “; and”; and

23 (3) by adding at the end the following new
24 paragraph:

1 “(9) such agency or association not adopt or
 2 apply standards, policies, or practices that restrict or
 3 deny the transfer of credits earned by a student
 4 completing courses or programs at other eligible in-
 5 stitutions of higher education solely on the basis of
 6 the agency or association that accredited such other
 7 eligible institution if that agency or association is
 8 recognized by the Secretary pursuant to this section
 9 to be a reliable authority as to the quality of the
 10 education or training offered and is currently listed
 11 by the Secretary pursuant to section 101(c).”.

12 (c) ACCREDITING AGENCY STANDARDS.—Section
 13 496(a)(5) (20 U.S.C. 1099b(a)(5)) is amended—

14 (1) by striking “and” at the end of subpara-
 15 graph (I);

16 (2) by inserting “and” after the semicolon at
 17 the end of subparagraph (J); and

18 (3) by inserting after subparagraph (J) the fol-
 19 lowing new subparagraph:

20 “(K) policies for the transfer of credit and
 21 the notification of the public of such policies;”.

22 **TITLE IV—SENSE OF CONGRESS**

23 **SEC. 401. REGULATORY BURDEN IMPACT ON TUITION AND** 24 **FEES.**

25 It is the sense of Congress that—

1 (1) reducing administrative and regulatory bur-
2 dens within the Federal student financial assistance
3 programs will improve efficiency and reduce the
4 costs associated with the management of such pro-
5 grams, as well as increase the affordability of post-
6 secondary education for all students;

7 (2) in consultation with postsecondary institu-
8 tions, States should take an active role in reviewing
9 and modifying administrative and reporting require-
10 ments for institutions and students within the stu-
11 dent financial assistance programs controlled by
12 such States, in an effort to reduce such burdens and
13 costs; and

14 (3) the Department of Education and the
15 States, in considering the implementation of regula-
16 tions or administrative requirements, should take
17 into consideration and determine the amount of ad-
18 ditional burden and costs being placed on institu-
19 tions and students before such regulation or admin-
20 istrative requirement is implemented.

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