

109TH CONGRESS  
1ST SESSION

# H. R. 2927

To require the Secretary of Education to rebate lost Pell Grants to students whose Pell Grants were reduced or eliminated because of excess expected family contributions computed in the needs analysis process for student financial aid for academic year 2005–2006.

---

## IN THE HOUSE OF REPRESENTATIVES

JUNE 15, 2005

Mr. GEORGE MILLER of California (for himself, Mr. KILDEE, Mr. TIERNEY, Mr. HOLT, Mr. GRIJALVA, Mr. VAN HOLLEN, Mr. BISHOP of New York, Mr. PALLONE, Mr. CONYERS, Mr. McDERMOTT, Ms. MCCOLLUM of Minnesota, Mr. OLVER, and Ms. DELAURO) introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

## A BILL

To require the Secretary of Education to rebate lost Pell Grants to students whose Pell Grants were reduced or eliminated because of excess expected family contributions computed in the needs analysis process for student financial aid for academic year 2005–2006.

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 Fairness Act”.

1 **SEC. 2. REBATE REQUIRED.**

2 (a) CALCULATION OF LOST PELL GRANT  
3 AMOUNTS.—Within 90 days after the date of enactment  
4 of this Act, the Secretary of Education shall, for each stu-  
5 dent who filed a Free Application for Federal Student Aid  
6 for the award year 2005–2006, determine the amount (if  
7 any) by which a Pell Grant to such student was reduced  
8 or eliminated as a result of the amount (if any) by  
9 which—

10 (1) the expected family contribution, as deter-  
11 mined for such student for such award year on the  
12 basis of the allowance for State and other taxes as  
13 adjusted by the updated tax tables prescribed on De-  
14 cember 23, 2004 (Federal Register, V. 69, No. 246,  
15 pp. 76926–76927), exceeds

16 (2) the expected family contribution that would  
17 apply to such student if such contribution were de-  
18 termined on the basis of the allowance for State and  
19 other taxes as in effect for the award year 2004–  
20 2005.

21 (b) REBATE OF LOST PELL GRANT AMOUNTS RE-  
22 QUIRED.—For each student determined under subsection  
23 (a) to have had a Pell Grant reduced or eliminated, the  
24 Secretary shall provide to such student a rebate equal to  
25 the amount of such reduction or elimination.

1       (c) AUTHORITY TO USE CONTRACTORS FOR ADMIN-  
2       ISTRATION.—The Secretary may provide by contract for  
3       the administration of the requirements of this section.

4       (d) USE OF FAFSA DATA PERMITTED.—The Sec-  
5       retary may use information provided on the Free Applica-  
6       tion for Federal Student Aid to comply with the require-  
7       ments of this section.

8       (e) TREATMENT OF REBATES.—Any rebate provided  
9       under this section—

10           (1) shall not be treated as income for purposes  
11           of the Internal Revenue Code of 1986; and

12           (2) shall not be treated as other financial aid,  
13           estimated financial assistance, assets, income, or  
14           other resources for purposes of determining—

15                   (A) whether the student obtained an over-  
16                   award for the award year 2005–2006; or

17                   (B) the need for financial assistance for  
18                   any award year subsequent to award year  
19                   2005–2006.

20       (f) NO OBLIGATION ON INSTITUTIONS OF HIGHER  
21       EDUCATION.—Nothing in this section authorizes the Sec-  
22       retary to impose any obligation on an institution of higher  
23       education that is eligible to participate in programs under  
24       subpart 1 of part A of the title IV of the Higher Education

- 1 Act of 1965 to perform any administrative requirement
- 2 to carry out this section.

