

113TH CONGRESS
1ST SESSION

H. R. 1928

To clarify the calculation of cohort default rates for proprietary institutions of higher education under the Higher Education Act of 1965.

IN THE HOUSE OF REPRESENTATIVES

MAY 9, 2013

Ms. DELAURO (for herself, Mr. GRIJALVA, Ms. SCHWARTZ, and Mr. TAKANO) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To clarify the calculation of cohort default rates for proprietary institutions of higher education under the Higher Education Act of 1965.

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 “Proprietary Institution
5 of Higher Education Accountability Act”.

6 **SEC. 2. CLARIFICATION OF COHORT DEFAULT RATE.**

7 Section 435(m)(1) of the Higher Education Act of
8 1965 (20 U.S.C. 1085(m)(1)) is amended—

1 (1) in subparagraph (B), by inserting after the
2 first sentence the following: “In calculating the co-
3 hort default rate for a proprietary institution of
4 higher education, the Secretary shall treat current
5 and former students at the institution who have
6 been granted, on loans made under part D and re-
7 ceived for attendance at the institution, a forbear-
8 ance or deferment described in subparagraph (D) for
9 any period exceeding 6-months after entering repay-
10 ment on such loans and before the end of the second
11 fiscal year following the fiscal year in which such
12 students entered such repayment, as students who
13 have defaulted on such loans before the end of such
14 second fiscal year.”; and

15 (2) by adding at the end the following new sub-
16 paragraph:

17 “(D) For purposes of subparagraph (B)—

18 “(i) the term ‘forbearance’ means a
19 forbearance granted for a reason described
20 in subparagraph (A)(i)(II) or subpara-
21 graph (B) of section 428(c)(3); and

22 “(ii) the term ‘deferment’ means a
23 deferment granted for a reason described

1 in subparagraph (B) or (D) of section
2 455(f)(2).”.

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