

114TH CONGRESS  
1ST SESSION

# S. 2150

To amend the Higher Education Act of 1965 to make technical improvements to the Net Price Calculator system so that prospective students may have a more accurate understanding of the true cost of college.

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## IN THE SENATE OF THE UNITED STATES

OCTOBER 7, 2015

Mr. GRASSLEY (for himself and Mr. FRANKEN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Higher Education Act of 1965 to make technical improvements to the Net Price Calculator system so that prospective students may have a more accurate understanding of the true cost of college.

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 “Net Price Calculator  
5 Improvement Act”.

1 **SEC. 2. MINIMUM STANDARDS FOR NET PRICE CALCULA-**  
 2 **TORS.**

3 Section 132(h) of the Higher Education Act of 1965  
 4 (20 U.S.C. 1015a(h)) is amended—

5 (1) by redesignating paragraph (4) as para-  
 6 graph (6);

7 (2) in paragraph (2), by inserting before the pe-  
 8 riod “, and, not later than 1 year after the date of  
 9 enactment of the Net Price Calculator Improvement  
 10 Act, shall meet the requirements of paragraph  
 11 (4)(B)”;

12 (3) in paragraph (3), by inserting after the first  
 13 sentence the following: “Not later than 1 year after  
 14 the date of enactment of the Net Price Calculator  
 15 Improvement Act, such calculator shall meet the re-  
 16 quirements of paragraph (4).”; and

17 (4) by inserting after paragraph (3) the fol-  
 18 lowing:

19 “(4) MINIMUM REQUIREMENTS FOR NET PRICE  
 20 CALCULATORS.—Not later than 1 year after the date  
 21 of enactment of the Net Price Calculator Improve-  
 22 ment Act, a net price calculator for an institution of  
 23 higher education shall, at a minimum, meet the fol-  
 24 lowing requirements:

25 “(A) The link for the calculator—

1 “(i) is clearly labeled as a ‘net price  
2 calculator’ and prominently, clearly, and  
3 conspicuously (in such size and contrast  
4 (such as shade) that it is readily noticeable  
5 and readable) posted in locations on the in-  
6 stitution’s website where information on  
7 costs and aid is provided (such as financial  
8 aid, prospective students, or tuition and  
9 fees web pages);

10 “(ii) matches in size and font to the  
11 other prominent links on the primary  
12 menu; and

13 “(iii) may also be included on the in-  
14 stitution’s compliance web page, which  
15 contains information relating to compliance  
16 with Federal, State, and local laws.

17 “(B) The results screen for the calculator  
18 specifies the following information:

19 “(i) The individual net price (as cal-  
20 culated under paragraph (2)) for the indi-  
21 vidual student, which is the most visually  
22 prominent figure on the results screen.

23 “(ii) Cost of attendance, including—

24 “(I) tuition and fees;

1                   “(II) average annual cost of  
2 room and board for the institution for  
3 a first-time, full-time undergraduate  
4 student enrolled in the institution;

5                   “(III) average annual cost of  
6 books and supplies for a first-time,  
7 full-time undergraduate student en-  
8 rolled in the institution; and

9                   “(IV) estimated cost of other ex-  
10 penses (including personal expenses  
11 and transportation) for a first-time,  
12 full-time undergraduate student en-  
13 rolled in the institution.

14                   “(iii) Estimated total need-based  
15 grant aid and merit-based grant aid, from  
16 Federal, State, and institutional sources,  
17 that may be available to the individual stu-  
18 dent, showing the subtotal for each cat-  
19 egory and the total of all sources of grant  
20 aid.

21                   “(iv) Percentage of the first-time, full-  
22 time undergraduate students enrolled in  
23 the institution that received any type of  
24 grant aid described in clause (iii).

1           “(v) The disclaimer described in para-  
2 graph (6).

3           “(vi) In the case of a calculator  
4 that—

5                   “(I) includes questions to esti-  
6 mate a student’s (or prospective stu-  
7 dent’s) eligibility for veterans’ edu-  
8 cation benefits (as defined in section  
9 480) or educational benefits for active  
10 duty service members, such benefits  
11 are displayed on the results screen in  
12 a manner that clearly distinguishes  
13 them from the grant aid described in  
14 clause (iii); or

15                   “(II) does not include questions  
16 to estimate eligibility for the benefits  
17 described in subclause (I), the results  
18 screen indicates that certain students  
19 (or prospective students) may qualify  
20 for such benefits and includes a link  
21 to information about such benefits.

22           “(C) The institution populates the calcu-  
23 lator with data from not earlier than 2 aca-  
24 demic years prior to the most recent academic  
25 year.

1           “(5) PROHIBITION ON USE OF DATA COL-  
 2           LECTED BY THE NET PRICE CALCULATOR.—A net  
 3           price calculator for an institution of higher edu-  
 4           cation shall—

5                   “(A) clearly indicate which questions are  
 6                   required to be completed for an estimate of the  
 7                   net price from the calculator;

8                   “(B) in the case of a calculator that re-  
 9                   quests contact information from users, clearly  
 10                  mark such requests as ‘optional’;

11                  “(C) prohibit any personally identifiable in-  
 12                  formation provided by users from being sold or  
 13                  made available to third parties; and

14                  “(D) clearly state ‘Any information that  
 15                  you provide on this site is confidential. The Net  
 16                  Price Calculator does not store your responses  
 17                  or require personal identifying information of  
 18                  any kind.’”.

19 **SEC. 3. UNIVERSAL NET PRICE CALCULATOR.**

20           Section 132(h) of the Higher Education Act of 1965  
 21 (20 U.S.C. 1015a(h)), as amended by section 2, is further  
 22 amended by adding at the end the following:

23                   “(7) UNIVERSAL NET PRICE CALCULATOR.—

24                   “(A) IN GENERAL.—The Secretary may  
 25                   develop a universal net price calculator that—

1 “(i) enables users to answer one set of  
2 questions and receive net prices for any in-  
3 stitution that is required to have a net  
4 price calculator under this subsection;

5 “(ii) provides the information required  
6 under subparagraphs (B) and (C) of para-  
7 graph (4) for each institution for which a  
8 net price is being sought;

9 “(iii) is developed in consultation with  
10 the heads of relevant Federal agencies; and

11 “(iv) before being finalized and pub-  
12 licly released, is tested in accordance with  
13 subparagraph (B).

14 “(B) CONSUMER TESTING.—

15 “(i) IN GENERAL.—If the Secretary  
16 develops a universal net price calculator  
17 under subparagraph (A), the Secretary, in  
18 consultation with the heads of relevant  
19 Federal agencies, shall establish a process  
20 to submit the universal net price calculator  
21 developed under this paragraph for con-  
22 sumer testing among representatives of  
23 students (including low-income students,  
24 first generation college students, adult stu-  
25 dents, and prospective students), students’

1 families (including low-income families,  
2 families with first generation college stu-  
3 dents, and families with prospective stu-  
4 dents), institutions of higher education,  
5 secondary school and postsecondary coun-  
6 selors, and nonprofit consumer groups.

7 “(ii) LENGTH OF CONSUMER TEST-  
8 ING.—The Secretary shall ensure that the  
9 consumer testing lasts no longer than 6  
10 months after the process for consumer  
11 testing is developed under clause (i).

12 “(iii) USE OF RESULTS.—The results  
13 of consumer testing under clause (i) shall  
14 be used in the final development of the  
15 universal net price calculator.

16 “(iv) REPORTING REQUIREMENT.—  
17 Not later than 3 months after the date the  
18 consumer testing under clause (i) con-  
19 cludes, the Secretary shall submit to Con-  
20 gress the final universal net price calcu-  
21 lator and a report detailing the results of  
22 such testing, including whether the Sec-  
23 retary added any additional items to the  
24 calculator as a result of such testing.



1                   “(v) AUTHORITY TO MODIFY.—The  
2                   Secretary may modify the definitions,  
3                   terms, formatting, and design of the uni-  
4                   versal net price calculator based on the re-  
5                   sults of consumer testing required under  
6                   this paragraph and before finalizing the  
7                   calculator.

8                   “(8) REPORT FROM SECRETARY.—Not later  
9                   than 1 year after the date of enactment of the Net  
10                  Price Calculator Improvement Act, the Secretary  
11                  shall submit a report to Congress on steps taken to  
12                  raise awareness of net price calculators among pro-  
13                  spective students and families, particularly among  
14                  students in middle school and high school and stu-  
15                  dents from low-income families.”.

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