

115TH CONGRESS
2D SESSION

S. 3353

To amend the Higher Education Act of 1965 to require the Secretary to provide for the use of data from the second preceding tax year to carry out the simplification of applications for the estimation and determination of financial aid eligibility, to increase the income threshold to qualify for zero expected family contribution, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 16, 2018

Mr. BOOKER (for himself, Mr. BLUMENTHAL, Mrs. GILLIBRAND, Mr. MERKLEY, Mr. JONES, Ms. HARRIS, and Ms. CORTEZ MASTO) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to require the Secretary to provide for the use of data from the second preceding tax year to carry out the simplification of applications for the estimation and determination of financial aid eligibility, to increase the income threshold to qualify for zero expected family contribution, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Simplifying Financial
3 Aid for Students Act of 2018”.

4 **SEC. 2. USING DATA FOR SECOND PRECEDING YEAR.**

5 Section 480(a)(1)(B) of the Higher Education Act of
6 1965 (20 U.S.C. 1087vv(a)(1)(B)) is amended to read as
7 follows:

8 “(B) Notwithstanding section 478(a) and
9 beginning not later than 180 days after the
10 date of enactment of the Simplifying Financial
11 Aid for Students Act of 2018, the Secretary
12 shall provide for the use of data from the sec-
13 ond preceding tax year when and to the extent
14 necessary to carry out the simplification of ap-
15 plications (including simplification for a subset
16 of applications) used for the estimation and de-
17 termination of financial aid eligibility. Such
18 simplification shall include the sharing of data
19 between the Internal Revenue Service and the
20 Department, pursuant to the consent of the
21 taxpayer.”.

22 **SEC. 3. FAMILY CONTRIBUTION.**

23 (a) FAMILY CONTRIBUTION.—Section 473(b) of the
24 Higher Education Act of 1965 (20 U.S.C. 1087mm(b))
25 is amended—

(1) by striking the subsection heading and inserting “ZERO FAMILY CONTRIBUTION”;

(2) in paragraph (1), by adding “or (3)” after “paragraph (2)”;

(3) in paragraph (2)—

(A) by striking the paragraph heading and inserting “CHILDREN OF CERTAIN DECEASED VETERANS”;

(B) in each of subparagraphs (B) and (C), by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively and adjusting the margins accordingly;

(C) by redesignating subparagraphs (A), (B), and (C), as clauses (i), (ii), and (iii), respectively; and

(D) by striking “Paragraph (1) shall” and inserting the following:

“(A) APPLICABILITY.—Paragraph (1) shall”;

(4) in paragraph (3)—

(A) in subparagraph (A), by striking “subparagraphs (A), (B)(i), and (C) of paragraph (2)” and inserting “clause (i), (ii)(I), and (iii) of subparagraph (A)”;

(B) in subparagraph (B)—

1 (i) by striking “subparagraphs (A),
 2 (B)(ii), and (C) of paragraph (2)” and in-
 3 serting “clause (i), (ii)(II), and (iii) of sub-
 4 paragraph (A)”; and

5 (ii) by redesignating clauses (i)
 6 through (iii) as subclauses (I) through
 7 (III), respectively, and adjusting the mar-
 8 gins accordingly; and

9 (C) by redesignating subparagraphs (A)
 10 and (B) as clauses (i) and (ii), respectively, and
 11 adjusting the margins accordingly;

12 (5) by redesignating paragraph (3) as subpara-
 13 graph (B), and adjusting the margins accordingly;
 14 and

15 (6) by inserting after paragraph (2)(B), as re-
 16 designated by paragraph (5), the following:

17 “(3) RECIPIENTS OF CERTAIN MEANS-TESTED
 18 BENEFITS.—

19 “(A) IN GENERAL.—Paragraph (1) shall
 20 apply to a student if—

21 “(i) that student is a dependent stu-
 22 dent whose parent participated in a means-
 23 tested Federal benefits program at any
 24 time during the period encompassed from

1 the beginning of the second prior calendar
2 year through the date of filing; or

3 “(ii) that student is independent and
4 the student or spouse of that student par-
5 ticipated in a means-tested Federal bene-
6 fits program at any time during the period
7 encompassed from the beginning of the
8 second prior calendar year through the
9 date of filing.

10 “(B) MEANS-TESTED FEDERAL BENEFITS
11 PROGRAM.—In this paragraph, the term
12 ‘means-tested Federal benefits program’
13 means—

14 “(i) the supplemental security income
15 program under title XVI of the Social Se-
16 curity Act (42 U.S.C. 1381 et seq.);

17 “(ii) the supplemental nutrition assist-
18 ance program established under the Food
19 and Nutrition Act of 2008 (7 U.S.C. 2011
20 et seq.);

21 “(iii) the Medicaid program under
22 title XIX of the Social Security Act (42
23 U.S.C. 1396 et seq.);

24 “(iv) a State program funded under
25 the temporary assistance for needy families

1 program under part A of title IV of the
 2 Social Security Act (42 U.S.C. 601 et
 3 seq.);

4 “(v) the special supplemental nutri-
 5 tion program for women, infants, and chil-
 6 dren established by section 17 of the Child
 7 Nutrition Act of 1966 (42 U.S.C. 1786);
 8 and

9 “(vi) any other program determined
 10 by the Secretary to be appropriate based
 11 on—

12 “(I) the reliability under which
 13 the need for benefits from the pro-
 14 gram is established; and

15 “(II) the feasibility of data link-
 16 ages.”.

17 (b) SIMPLIFIED NEEDS TEST.—Section 479 of the
 18 Higher Education Act of 1965 (20 U.S.C. 1087ss) is
 19 amended to read as follows:

20 **“SEC. 479. SIMPLIFIED NEEDS TESTS.**

21 “(a) SIMPLIFIED APPLICATION SECTION.—

22 “(1) IN GENERAL.—The Secretary shall develop
 23 and use an easily identifiable simplified application
 24 section as part of the common financial reporting

1 form prescribed under section 483(a) for families de-
 2 scribed in subsections (b) and (c) of this section.

3 “(2) REDUCED DATA REQUIREMENTS.—The
 4 simplified application form shall—

5 “(A) in the case of a family meeting the
 6 requirements of subsection (b)(1), permit such
 7 family to submit only the data elements re-
 8 quired under subsection (b)(2) for the purposes
 9 of establishing eligibility for student financial
 10 aid under this part; and

11 “(B) in the case of a family meeting the
 12 requirements of subsection (c), permit such
 13 family to be treated as having an expected fam-
 14 ily contribution equal to zero for purposes of es-
 15 tablishing such eligibility and to submit only the
 16 data elements required to make a determination
 17 under subsection (c).

18 “(b) SIMPLIFIED NEEDS TEST.—

19 “(1) ELIGIBILITY.—An applicant is eligible to
 20 file a simplified form containing the elements re-
 21 quired by paragraph (2) if—

22 “(A) the applicant did not file and was not
 23 required to file any Federal tax return during
 24 the 24-month period preceding the date of the
 25 determination of eligibility;

1 “(B) the applicant, or, in the case of an
2 applicant who is a dependent student, the appli-
3 cant’s parent, participated in a means-tested
4 Federal benefits program, as described in sec-
5 tion 473(b)(3)(B), during the 24-month period
6 preceding the date of the determination of eligi-
7 bility;

8 “(C) the applicant, or, in the case of an
9 applicant who is a dependent student, the appli-
10 cant’s parent, filed a form 1040A, 1040EZ, or
11 1040 (including any prepared or electronic
12 version of such form) required pursuant to the
13 Internal Revenue Code of 1986, with no forms
14 or schedules, during the 24-month period pre-
15 ceding the date of the determination of eligi-
16 bility;

17 “(D) in the case of an applicant who is a
18 dependent student—

19 “(i) the student’s parents include at
20 least one parent who is a dislocated work-
21 er; and

22 “(ii) the total adjusted gross income
23 of the parents (excluding any income of
24 the dependent student) is less than
25 \$50,000; or

1 “(E) in the case of an applicant who is an
 2 independent student—

3 “(i) the student is a dislocated worker
 4 or has a spouse who is a dislocated worker;
 5 and

6 “(ii) the adjusted gross income of the
 7 student (and the student’s spouse, if any)
 8 is less than \$50,000.

9 “(2) SIMPLIFIED TEST ELEMENTS.—The six
 10 elements to be used for the simplified needs analysis
 11 are—

12 “(A) adjusted gross income;

13 “(B) Federal taxes paid;

14 “(C) untaxed income and benefits;

15 “(D) the number of family members;

16 “(E) the number of family members in
 17 postsecondary education; and

18 “(F) an allowance (A) for State and other
 19 taxes, as defined in section 475(c)(2) for de-
 20 pendent students and in section 477(b)(2) for
 21 independent students with dependents other
 22 than a spouse, or (B) for State and other in-
 23 come taxes, as defined in section 476(b)(2) for
 24 independent students without dependents other
 25 than a spouse.

1 “(3) QUALIFYING FORMS.—In the case of an
2 independent student, the student, or in the case of
3 a dependent student, the family, files a form de-
4 scribed in this subsection, or subsection (c), as the
5 case may be, if the student or family, as appro-
6 priate, files—

7 “(A) a form 1040A or 1040EZ (including
8 any prepared or electronic version of such form)
9 required pursuant to the Internal Revenue Code
10 of 1986;

11 “(B) a form 1040 (including any prepared
12 or electronic version of such form) required
13 pursuant to the Internal Revenue Code of 1986,
14 except that such form shall be considered a
15 qualifying form only if the student or family
16 files such form in order to take a tax credit
17 under section 25A of the Internal Revenue
18 Code of 1986, and would otherwise be eligible
19 to file a form described in subparagraph (A); or

20 “(C) an income tax return (including any
21 prepared or electronic version of such return)
22 required pursuant to the tax code of the Com-
23 monwealth of Puerto Rico, Guam, American
24 Samoa, the Virgin Islands, the Republic of the

1 Marshall Islands, the Federated States of Mi-
2 cronesia, or Palau.

3 “(c) ZERO EXPECTED FAMILY CONTRIBUTION.—The
4 Secretary shall consider an applicant to have an expected
5 family contribution equal to zero if—

6 “(1) in the case of a dependent student—

7 “(A) the student’s parents include at least
8 one parent who is a dislocated worker; and

9 “(B) the sum of the adjusted gross annual
10 income of the parents is less than or equal to
11 \$36,000; or

12 “(2) in the case of an independent student with
13 dependents other than a spouse—

14 “(A) the student (and the student’s
15 spouse, if any) is a dislocated worker or has a
16 spouse who is a dislocated worker; and

17 “(B) the sum of the adjusted gross annual
18 income of the student and spouse (if appro-
19 priate) is less than or equal to \$36,000.

20 An individual is not required to qualify or file for the
21 earned income credit in order to be eligible under this sub-
22 section. The Secretary shall annually adjust the income
23 level necessary to qualify an applicant for the zero ex-
24 pected family contribution. The income level shall be ad-

1 justed according to increases in the Consumer Price Index,
2 as defined in section 478(f).

3 “(d) DISLOCATED WORKER.—In this section, the
4 term ‘dislocated worker’ has the meaning given the term
5 in section 3 of the Workforce Innovation and Opportunity
6 Act.”.

7 **SEC. 4. FAFSA SIMPLIFICATION.**

8 (a) FAFSA SIMPLIFICATION.—Section 483(f) of the
9 Higher Education Act of 1965 (20 U.S.C. 1090(f)) is
10 amended to read as follows:

11 “(f) REDUCTION OF INCOME AND ASSET INFORMA-
12 TION TO DETERMINE ELIGIBILITY FOR STUDENT FINAN-
13 CIAL AID.—

14 “(1) USE OF INTERNAL REVENUE SERVICE
15 DATA RETRIEVAL TOOL TO POPULATE FAFSA.—The
16 Secretary shall—

17 “(A) make every effort to make available
18 and allow applicants to utilize the data retrieval
19 tool that is in existence on the date of enact-
20 ment of the Simplifying Financial Aid for Stu-
21 dents Act of 2018 to transfer data available
22 from the Internal Revenue Service to reduce the
23 amount of original data entry by applicants and
24 strengthen the reliability of data used to cal-

1 culate expected family contributions, including
2 through the use of technology to—

3 “(i) allow an applicant to automati-
4 cally populate the electronic version of the
5 forms under this section with data avail-
6 able from the Internal Revenue Service;

7 “(ii) direct an applicant to appro-
8 priate questions on such forms based on
9 the applicant’s answers to previous ques-
10 tions;

11 “(iii) identify the type of form filed
12 and whether certain forms or schedules, as
13 identified by the Secretary, were filed with
14 Federal form 1040; and

15 “(iv) allow an applicant to verify that
16 the applicant or the family of the applicant
17 did not file a Federal tax return without
18 additional action on the part of the stu-
19 dent; and

20 “(B) allow single taxpayers, married tax-
21 payers filing jointly, and married taxpayers fil-
22 ing separately to utilize such data retrieval tool
23 to its full capacity.

24 “(2) STRENGTHENING THE IRS DATA RE-
25 TRIEVAL TOOL.—The Secretary shall work with the

1 Secretary of the Treasury to expand the capabilities
 2 of the Internal Revenue Service data retrieval tool
 3 by—

4 “(A) incorporating all fields from Federal
 5 tax returns and W2 forms relevant to needs
 6 analysis; and

7 “(B) incorporating line items from forms
 8 and schedules identified by the Secretary into
 9 the data retrieval tool.

10 “(3) CROSS AGENCY LINKAGES.—

11 “(A) IN GENERAL.—The Secretary, in co-
 12 ordination with the head of each agency that
 13 administers a specified means-tested Federal
 14 benefits program, shall examine how the agency
 15 can verify an applicant or an applicant’s fam-
 16 ily’s receipt of specified means-tested Federal
 17 benefits in order to compute an expected family
 18 contribution for low-income students in order to
 19 simplify, for students, the application process
 20 for student financial assistance.

21 “(B) AUTOMATIC MAXIMUM FEDERAL
 22 PELL GRANT.—The Secretary shall ensure that
 23 a student who is described in section 473(b)(3)
 24 or whose adjusted gross income or family ad-
 25 justed gross income is less than \$36,000 annu-

ally during the 24-month period preceding the date of the determination, is a full-time student, and submits a form under this section, shall receive a maximum Federal Pell Grant and a zero expected family contribution determination without additional action on the part of the student or the family of the student.

“(C) PART-TIME STUDENTS.—The Secretary shall ensure that a part-time student who is described in section 473(b)(3) and submits a form under this section shall receive a zero expected family contribution determination.

“(4) REPORT.—The Secretary shall report to Congress annually on the Department’s progress in maintaining and expanding the Internal Revenue Service data retrieval tool and in establishing cross agency linkages, as described in this subsection, and simultaneously make such reports publicly available.”.

(b) MOBILE USE.—Section 483(a)(3) of the Higher Education Act of 1965 (20 U.S.C. 1090(a)(3)) is amended by adding at the end the following:

“(I) MOBILE DEVICE FORMAT.—The Secretary shall make the electronic version of the forms under this paragraph available through a

1 technology tool that can be used on mobile de-
2 vices. Such technology tool shall, at a minimum,
3 enable applicants to—

4 “(i) save data; and

5 “(ii) submit the electronic version of
6 the forms under this paragraph to the Sec-
7 retary through such tool.”.

8 (c) **LANGUAGES FOR FAFSA.**—The Secretary, in
9 conjunction with the Director of the Census Bureau, shall
10 determine the most common languages spoken at home
11 in the United States and shall develop versions of the
12 FAFSA form in each of those languages.

13 (d) **OUTREACH BY FINANCIAL AID ADVISORS.**—Sec-
14 tion 483 of the Higher Education Act of 1965 (20 U.S.C.
15 1090 et seq.) is amended by adding at the end the fol-
16 lowing:

17 “(i) **OUTREACH BY FINANCIAL AID ADVISORS.**—An
18 institution of higher education may use information pro-
19 vided on a FAFSA to reach out to and counsel a student
20 on the student’s eligibility for means-tested benefits in
21 which the student is not enrolled and outside scholarships
22 for which a student is eligible.”.

1 **SEC. 5. DEFINITIONS OF TOTAL INCOME AND ASSETS.**

2 (a) TOTAL INCOME.—Section 480(a)(1) of the High-
 3 er Education Act of 1965 (20 U.S.C. 1087vv(a)(1)) is
 4 amended to read as follows:

5 “(1) IN GENERAL.—Except as provided in para-
 6 graph (2), the term ‘total income’ is equal to—

7 “(A) in the case of an individual who has
 8 not filed, and is not required to file, any Fed-
 9 eral tax return or in the case of a qualified re-
 10 cipient of a means-tested Federal benefits pro-
 11 gram, as defined in section 473(b)(3)(B),
 12 earned income for the second preceding tax
 13 year minus excludable income (as defined in
 14 subsection (e));

15 “(B) in the case of an individual who filed
 16 a Federal form 1040EZ, 1040A, or 1040 with
 17 no forms or schedules, adjusted gross income
 18 plus untaxed income and benefits for the second
 19 preceding tax year minus excludable income (as
 20 defined in subsection (e)); and

21 “(C) in the case of an individual who filed
 22 a Federal form 1040 with forms or schedules or
 23 in the case of an individual who filed a foreign
 24 tax return in lieu of a Federal tax return, ad-
 25 justed gross income plus untaxed income and
 26 benefits for the second preceding fiscal tax year

1 minus excludable income (as defined in sub-
2 section (e)).”.

3 (b) CONFORMING AMENDMENT.—Section 480(a) of
4 the Higher Education Act of 1965 (20 U.S.C. 1087vv(a))
5 is amended—

6 (1) by moving paragraph (2) two ems to the
7 right; and

8 (2) in paragraph (2), by striking “No portion”
9 and inserting the following: “AMOUNTS NOT IN-
10 CLUDED.—No portion”.

11 (c) UNTAXED INCOME AND BENEFITS.—Section
12 480(b) of the Higher Education Act of 1965 (20 U.S.C.
13 1087vv(b)) is amended to read as follows:

14 “(b) UNTAXED INCOME AND BENEFITS.—The term
15 ‘untaxed income and benefits’ means—

16 “(1) the aggregate amount of losses taken into
17 account for determining adjusted gross income on
18 Federal form 1040;

19 “(2) the amount of any tax-exempt interest in-
20 come reported on Federal form 1040; and

21 “(3) amounts of foreign income excluded from
22 adjusted gross income and reported on Federal form
23 2555.”.

1 (d) EXCLUDABLE INCOME.—Section 480(e) of the
 2 Higher Education Act of 1965 (20 U.S.C. 1087vv(e)) is
 3 amended to read as follows:

4 “(e) The term ‘excludable income’ means—

5 “(1) any student financial assistance awarded
 6 based on need as determined in accordance with the
 7 provisions of this part, including any income earned
 8 from work under part C of this title; and

9 “(2) payments made and services provided
 10 under part E of title IV of the Social Security Act
 11 (42 U.S.C. 670 et seq.) to or on behalf of any child
 12 or youth over whom the State agency has responsi-
 13 bility for placement, care, or supervision, including
 14 the value of vouchers for education and training and
 15 amounts expended for room and board for youth
 16 who are not in foster care but are receiving services
 17 under section 477 of such Act (42 U.S.C. 677).”.

18 (e) ASSETS.—Section 480(f)(1) of the Higher Edu-
 19 cation Act of 1965 (20 U.S.C. 1087vv(f)(1)) is amended
 20 by striking “The term” and all that follows through the
 21 period at the end and inserting the following:

22 “(A) In determining the value of assets in
 23 a determination of need under this title—

24 “(i) in the case of an individual who
 25 has not filed, and is not required to file,

1 any Federal tax return or in the case of a
2 qualified recipient of a means-tested Fed-
3 eral benefits program, as defined in section
4 473(b)(3)(B), the individual's assets shall
5 be considered to be equal to zero; and

6 “(ii) in the case of a parent of a de-
7 pendent student or in the case of an inde-
8 pendent student with dependents other
9 than a spouse, the individual's assets shall
10 be considered to be equal to zero if that
11 parent or independent student filed a Fed-
12 eral form 1040EZ, 1040A, or 1040 with
13 no forms or schedules.

14 “(B) In the case of an individual who filed
15 a form 1040 with forms or schedules, the term
16 assets means cash on hand, including the
17 amount in checking and savings accounts, time
18 deposits, money market funds, trusts, stocks,
19 bonds, other securities, mutual funds, tax shel-
20 ters, qualified education benefits (except as pro-
21 vided in paragraph (3)), and the net value of
22 real estate, income producing property, and
23 business and farm assets, excluding the primary
24 home.”.

1 (f) SPECIAL COMBAT PAY.—Section 480 of the High-
 2 er Education Act of 1965 (20 U.S.C. 1087vv) is amend-
 3 ed—

4 (1) in subsection (j), by striking paragraph (4);
 5 and

6 (2) by striking subsection (n).

7 **SEC. 6. ELIMINATING UNNECESSARY AND BURDENSOME**
 8 **QUESTIONS.**

9 (a) PROHIBITION.—Section 483(a) of the Higher
 10 Education Act of 1965 (20 U.S.C. 1090(a)) is amended
 11 by adding at the end the following:

12 “(13) PROHIBITION OF UNNECESSARY AND
 13 BURDENSOME QUESTIONS.—Notwithstanding any
 14 other provision of law, the Secretary shall not in-
 15 clude on any form developed under this section a
 16 question about—

17 “(A) the applicant’s criminal history, reg-
 18 istration for selective service, net worth of a
 19 business or farm, taxable earnings from need-
 20 based employment (such as from a Federal
 21 work-study program), combat pay, cooperative
 22 education program earnings, and income from
 23 any source which is not taxable for the taxable
 24 year, including income attributable to a pension
 25 or retirement plan, interest on tax-exempt

bonds, military or clergy living allowance, and veterans benefits (other than education benefits); and

“(B) with respect to the applicant’s parent, taxable earnings from need-based employment (such as from a Federal work-study program), college grant or scholarship aid reported to the Internal Revenue Service, combat pay, cooperative education program earnings, and income from any source which is not taxable for the taxable year, including income attributable to a pension or retirement plan, interest on tax-exempt bonds, military or clergy living allowance, and veterans benefits (other than education benefits).”.

(b) REMOVING BURDENSOME REQUIREMENTS.—

(1) IN GENERAL.—Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.) is amended—

(A) in section 484 (20 U.S.C. 1091)—

(i) by striking subsections (n) and (r);

and

(ii) by redesignating subsections (o),

(p), (q), (s), and (t) as subsections (n), (o),

(p), (q), and (r), respectively; and

1 (B) in section 485 (20 U.S.C. 1092)—

2 (i) by striking subsection (k); and

3 (ii) by redesignating subsections (l)

4 and (m) as subsections (k) and (l), respec-

5 tively.

6 (2) CONFORMING AMENDMENTS.—Title IV of

7 the Higher Education Act of 1965 (20 U.S.C. 1070

8 et seq.) is amended—

9 (A) in each of subparagraphs (C) and (D)

10 of section 428(b)(3) (20 U.S.C. 1078(b)(3)), by

11 striking “485(l)” and inserting “485(k)”;

12 (B) in section 428B(f)(2) (20 U.S.C.

13 1078–2(f)(2)), by striking “484(p)” and insert-

14 ing “484(o)”;

15 (C) in each of subparagraphs (E) and (F)

16 of section 435(d)(5) (20 U.S.C. 1085(d)(5)), by

17 striking “485(l)” and inserting “485(k)”;

18 (D) in section 487(e)(2)(B)(ii)(IV) (20

19 U.S.C. 1094(e)(2)(B)(ii)(IV)), by striking “(l)

20 of section 485” and inserting “(k) of section

21 485”.

22 **SEC. 7. DEFINITIONS FOR HOMELESS AND FOSTER YOUTH.**

23 (a) INDEPENDENT STUDENT.—Section 480(d)(1)(H)

24 of the Higher Education Act of 1965 (20 U.S.C.

25 1087vv(d)(1)(H)) is amended—

1 (1) in the matter preceding clause (i)—

2 (A) by striking “during the school year in
3 which the application is submitted”;

4 (B) by inserting “age 23 or younger” after
5 “unaccompanied youth”; and

6 (C) by striking “terms are” and inserting
7 “term is”;

8 (2) in clause (i), by inserting “, or a designee
9 of the liaison” after “Act”;

10 (3) in clause (ii), by striking “a program fund-
11 ed under the Runaway and Homeless Youth Act”
12 and inserting “an emergency or transitional shelter,
13 street outreach program, homeless youth drop-in
14 center, or other program serving homeless youth,”;
15 and

16 (4) in clause (iii), by striking “program funded
17 under subtitle B of title IV of the McKinney-Vento
18 Homeless Assistance Act (relating to emergency
19 shelter grants)” and inserting “Federal TRIO pro-
20 gram or a Gaining Early Awareness and Readiness
21 for Undergraduate program under chapter 1 or 2 of
22 subpart 2 of part A,”.

23 (b) FOSTER CARE CHILDREN AND YOUTH.—Section
24 103 of the Higher Education Act of 1965 (20 U.S.C.
25 1003) is amended by adding at the end the following:

1 “(25) FOSTER CARE CHILDREN AND YOUTH.—

2 The term ‘foster care children and youth’—

3 “(A) means children and youth whose care
4 and placement are the responsibility of the
5 State or Tribal agency that administers a State
6 or Tribal plan under part B or E of title IV of
7 the Social Security Act (42 U.S.C. 621 et seq.
8 and 670 et seq.), without regard to whether fos-
9 ter care maintenance payments are made under
10 section 472 of such Act (42 U.S.C. 672) on be-
11 half of such children and youth; and

12 “(B) includes individuals who were age 13
13 or older when their care and placement were
14 the responsibility of a State or Tribal agency
15 that administered a State or Tribal plan under
16 part B or E of title IV of the Social Security
17 Act (42 U.S.C. 621 et seq. and 670 et seq.)
18 and who are no longer under the care and re-
19 sponsibility of such a State or tribal agency,
20 without regard to any such individual’s subse-
21 quent adoption, guardianship arrangement, or
22 other form of permanency outcome.”.

1 **SEC. 8. STREAMLINING DETERMINATIONS AND VERIFICA-**
 2 **TION FOR HOMELESS AND FOSTER YOUTH.**

3 Section 480(d) of the Higher Education Act of 1965
 4 (20 U.S.C. 1087vv(d)) is amended by adding at the end
 5 the following:

6 “(3) SIMPLIFYING THE DETERMINATION PROC-
 7 ESS FOR UNACCOMPANIED YOUTH.—

8 “(A) VERIFICATION.—A financial aid ad-
 9 ministrator shall accept a homelessness deter-
 10 mination made by any individual authorized to
 11 make such determinations under clause (i), (ii),
 12 or (iii) of paragraph (1)(H) in the absence of
 13 conflicting information. A documented phone
 14 call with, or a written statement from, one of
 15 the authorized individuals is sufficient
 16 verification when needed. For purposes of this
 17 paragraph, a financial aid administrator’s dis-
 18 agreement with the determination made by an
 19 authorized individual shall not be considered
 20 conflicting information.

21 “(B) DETERMINATION OF INDEPEND-
 22 ENCE.—A financial aid administrator shall
 23 make a determination of independence under
 24 paragraph (1)(H) if a student does not have,
 25 and cannot get, documentation from any of the

other designated authorities described in such paragraph. Such a determination shall be—

“(i) based on the definitions outlined in paragraph (1)(H);

“(ii) distinct from a determination of independence under paragraph (1)(I);

“(iii) based on a documented interview with the student; and

“(iv) limited to whether the student meets the definitions in paragraph (1)(H) and not about the reasons for the student’s homelessness.

“(4) SIMPLIFYING THE VERIFICATION PROCESS FOR FOSTER CHILDREN AND YOUTH.—

“(A) VERIFICATION OF INDEPENDENCE.—

If an institution requires documentation to verify that a student is independent based on a status described in paragraph (1)(B), a financial aid administrator shall consider any of the following as adequate verification:

“(i) Submission of a court order or official State documentation that the student received Federal or State support in foster care.

1 “(ii) A documented phone call with, or
2 a written statement from—

3 “(I) a child welfare agency au-
4 thorized by a State or county;

5 “(II) a Tribal child welfare au-
6 thority;

7 “(III) an Independent Living
8 case worker;

9 “(IV) a public or private foster
10 care placing agency or foster care fa-
11 cility or placement;

12 “(V) another program serving or-
13 phans, foster children and youth, or
14 wards of the court; or

15 “(VI) a probation officer.

16 “(iii) A documented phone call with,
17 or a written statement from, an attorney,
18 a guardian ad litem, or a Court Appointed
19 Special Advocate, documenting that per-
20 son’s relationship to the student.

21 “(iv) A documented phone call with,
22 or a written statement from, a representa-
23 tive of a Federal TRIO program or a
24 Gaining Early Awareness and Readiness

for Undergraduate program under chapter
1 or 2 of subpart 2 of part A.

“(v) Verification of the student’s eligi-
bility for an education and training vouch-
er under the John H. Chafee Foster Care
Independence Program under section 477
of the Social Security Act (42 U.S.C. 677).

“(vi) Submission of a copy of the stu-
dent’s biological or adoptive parents’—

“(I) Certificates of Death; or

“(II) newspaper obituaries.

“(vii) An attestation from the student,
which includes a description of why the
student may qualify for a status described
in paragraph (1)(B), including the approxi-
mate dates that the student was in foster
care, dependent, or a ward of the court, to
the best of the student’s knowledge after
making reasonable efforts to provide any
requested documentation.

“(B) ADDITIONAL STREAMLINING PER-
MITTED.—Nothing in this paragraph prohibits
an institution from implementing policies that
streamline the determination of independent
status and improve a student’s access to finan-

1 cial aid because that student is an orphan, in
 2 foster care, or a ward of the court, or was an
 3 orphan, in foster care, or a ward of the court
 4 at any time when the student was 13 years of
 5 age or older.

6 “(5) TIMING; USE OF EARLIER DETERMINA-
 7 TION.—

8 “(A) TIMING.—A determination under
 9 subparagraph (B) or (H) of paragraph (1) for
 10 a student—

11 “(i) shall be made as quickly as prac-
 12 ticable;

13 “(ii) may be made as early as the year
 14 before the award year for which the stu-
 15 dent initially submits an application; and

16 “(iii) shall be made no later than dur-
 17 ing the award year for which the student
 18 initially submits an application.

19 “(B) USE OF EARLIER DETERMINATION.—
 20 Any student who is determined to be inde-
 21 pendent under subparagraph (B) or (H) of
 22 paragraph (1) for a preceding award year at an
 23 institution shall be presumed to be independent
 24 for a subsequent award year at the same insti-
 25 tution unless—

1 “(i) the student informs the institu-
2 tion that circumstances have changed; or

3 “(ii) the institution has specific con-
4 flicting information about the student’s
5 independence, and has informed the stu-
6 dent of this information and the oppor-
7 tunity to challenge such information
8 through a documented interview or an im-
9 partial review by the Student Loan Om-
10 budsman pursuant to section 141(f)(3).

11 “(6) RETENTION OF DOCUMENTS.—A financial
12 aid administrator shall retain all documents related
13 to the determination of independence under subpara-
14 graph (B) or (H) of paragraph (1), including docu-
15 mented interviews, for the duration of the student’s
16 enrollment at the institution and for a minimum of
17 1 year after the student is no longer enrolled at the
18 institution.”.

19 **SEC. 9. CONSOLIDATING QUESTIONS REGARDING HOME-**
20 **LESS STATUS ON THE FAFSA.**

21 Section 483(a)(4) of the Higher Education Act of
22 1965 (20 U.S.C. 1090(a)(4)) is amended by adding at the
23 end the following:

24 “(C) SINGLE QUESTION REGARDING
25 HOMELESS STATUS.—The Secretary shall en-

sure that, on each form developed under this section for which the information is applicable, there is a single, easily understood screening question to identify an applicant for aid who is—

“(i) an unaccompanied homeless child or youth (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act); or

“(ii) an unaccompanied youth who is self-supporting and at risk of homelessness.”.

SEC. 10. ELIGIBILITY FOR DREAMERS.

Section 484 of the Higher Education Act of 1965 (20 U.S.C. 1091), as amended by section 6(b), is further amended—

(1) in subsection (a)(5), by inserting “or be a Dreamer student” after “becoming a citizen or permanent resident”; and

(2) by adding at the end the following:

“(s) DREAMER STUDENT.—

“(1) IN GENERAL.—In this section, the term ‘Dreamer student’ means an alien (as defined in section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a))) who—

1 “(A) has been continuously physically
2 present in the United States for not less than
3 the 4-year period preceding the date of enact-
4 ment of the Simplifying Financial Aid for Stu-
5 dents Act of 2018;

6 “(B) was younger than 18 years of age on
7 the date on which the alien initially entered the
8 United States; and

9 “(C)(i) has been admitted to an institution
10 of higher education;

11 “(ii) has earned a high school diploma or
12 a commensurate alternative award from a pub-
13 lic or private high school, or has obtained a
14 general education development certificate recog-
15 nized under State law or a high school equiva-
16 lency diploma in the United States;

17 “(iii) is enrolled in secondary school or in
18 an education program assisting students in ob-
19 taining a regular high school diploma or its rec-
20 ognized equivalent under State law, or in pass-
21 ing a general educational development exam, a
22 high school equivalence diploma examination, or
23 other similar State-authorized exam, and has
24 made satisfactory progress in obtaining such di-
25 ploma or passing such exam; or

1 “(iv)(I) has served for not less than 4
2 years in the uniformed services (as defined in
3 section 101(a) of title 10, United States Code);
4 and

5 “(II) in the case of an alien who has been
6 discharged from the uniformed services, has re-
7 ceived an honorable discharge.

8 “(2) HARDSHIP EXCEPTION.—The Secretary
9 shall issue regulations that direct when the Depart-
10 ment shall waive the requirement of subparagraph
11 (A) or (B), or both, of paragraph (1) for an indi-
12 vidual to qualify as a Dreamer student under such
13 paragraph, if the individual—

14 “(A) demonstrates compelling cir-
15 cumstances for the inability to satisfy the re-
16 quirement of such subparagraph (A) or (B), or
17 both; and

18 “(B) satisfies the requirement of para-
19 graph (1)(C).”.

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