

116TH CONGRESS
2D SESSION

S. 5033

To amend the Higher Education Act of 1965 to support college students
to meet satisfactory academic progress.

IN THE SENATE OF THE UNITED STATES

DECEMBER 16, 2020

Mr. BOOKER 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 support
college students to meet satisfactory academic progress.

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 “Satisfactory Academic
5 Progress Reset and Reform Act”.

6 **SEC. 2. PURPOSES.**

7 The purposes of this Act are the following:

8 (1) To support college students to meet satis-
9 factory academic progress requirements under the
10 Higher Education Act of 1965 (20 U.S.C. 1001 et

1 seq.), allowing them to continue receiving Federal
2 student aid and persist in college.

3 (2) To empower students who had lost access to
4 Federal student aid due to previously failing to meet
5 satisfactory academic progress requirements under
6 the Higher Education Act of 1965 (20 U.S.C. 1001
7 et seq.) to become eligible again for Federal student
8 aid after 2 years away from college.

9 **SEC. 3. FINDINGS.**

10 Congress finds the following:

11 (1) Satisfactory academic progress (SAP) re-
12 quirements for Federal student aid programs have
13 become increasingly strict and inflexible for students
14 over the last 40 years.

15 (2) The increase in SAP requirements has
16 made the need-based Federal Pell Grant resemble a
17 performance-based scholarship, despite the dis-
18 proportionately negative impact on students and
19 families who are low-income.

20 (3) Approximately 40 percent of first-year Fed-
21 eral Pell Grant recipients risk losing Federal student
22 aid due to not meeting the credit completion compo-
23 nent of SAP requirements.

24 (4) Institutions are responsible for setting SAP
25 requirements; however, Federal statute establishes

1 guidance for minimum grade point average (GPA)
2 and credit completion standards.

3 (5) Many institutions conduct an SAP status
4 check every payment period, allowing students at
5 risk of not meeting the SAP standards to benefit
6 from a one-term “warning status” before losing
7 Federal student aid or filing an appeal; however,
8 students at institutions that only evaluate SAP sta-
9 tus once per year are at risk of losing their Federal
10 student aid immediately upon learning of their sta-
11 tus.

12 (6) While many students struggle to meet min-
13 imum academic standards, current SAP policy tar-
14 gets students and families with the lowest incomes—
15 those earning less than \$50,000 per year. Federal
16 student aid recipients with low GPAs leave college
17 more quickly than students with low GPAs that do
18 not rely on Federal student aid.

19 (7) Current SAP policy also disproportionately
20 harms Black, Latino, and Native American students.
21 In 2015 through 2016, 57 percent of Black stu-
22 dents, 47 percent of Latino students, and 51 percent
23 of Native American students relied on Federal Pell
24 Grants to pay for college, while for that same year,

1 39 percent of all undergraduate students received a
2 Federal Pell Grant.

3 (8) SAP requirements apply to all Federal stu-
4 dent aid under title IV of the Higher Education Act
5 of 1965 (20 U.S.C. 1070 et seq.), including Federal
6 Pell Grants, Federal Direct Loans, and Federal
7 Work-Study. State and institutional need-based pro-
8 grams also often base their own requirements on the
9 Federal SAP rules.

10 **SEC. 4. SATISFACTORY ACADEMIC PROGRESS RESET.**

11 Section 484(c) of the Higher Education Act of 1965
12 (20 U.S.C. 1091(c)) is amended to read as follows:

13 “(c) SATISFACTORY PROGRESS.—

14 “(1) DEFINITIONS.—In this section:

15 “(A) APPEAL.—The term ‘appeal’ means a
16 process by which a student who is not meeting
17 the institution’s satisfactory academic progress
18 standards petitions the institution for reconsid-
19 eration of the student’s eligibility for assistance
20 under this title.

21 “(B) FINANCIAL AID PROBATION.—The
22 term ‘financial aid probation’ means a status
23 assigned by an institution to a student who fails
24 to make satisfactory academic progress and

1 who has appealed and has had eligibility for aid
2 reinstated.

3 “(C) FINANCIAL AID WARNING.—The term
4 ‘financial aid warning’ means a status assigned
5 to a student who fails to make satisfactory aca-
6 demic progress at the end of a semester or
7 equivalent period.

8 “(2) SATISFACTORY ACADEMIC PROGRESS POL-
9 ICY.—An institution shall establish a reasonable sat-
10 isfactory academic progress policy for determining
11 whether an otherwise eligible student is making sat-
12 isfactory academic progress in the student’s edu-
13 cational program and may receive assistance under
14 this title. The Secretary shall consider the institu-
15 tion’s policy to be reasonable if—

16 “(A) the policy is at least as strict as the
17 policy the institution applies to a student who
18 is not receiving assistance under this title;

19 “(B) the policy provides for consistent ap-
20 plication of standards to all students within the
21 category of students, including full-time, part-
22 time, undergraduate, and graduate students,
23 and educational programs established by the in-
24 stitution;

1 “(C)(i) the policy specifies the grade point
2 average (GPA) that a student must achieve at
3 each evaluation, or if a GPA is not an appro-
4 priate qualitative measure, a comparable assess-
5 ment measured against a norm; and

6 “(ii) if a student is enrolled in an edu-
7 cational program of more than 2 academic
8 years, the policy specifies that at the end of the
9 second academic year, the student must have a
10 GPA of at least a ‘C’ or its equivalent, or have
11 academic standing consistent with the institu-
12 tion’s requirements for graduation;

13 “(D) the policy provides for measurement
14 of the student’s progress at each evaluation;

15 “(E) the policy describes—

16 “(i) how a student’s GPA and
17 progress toward completion are affected by
18 course incompletes, withdrawals, or repeti-
19 tions, or transfers of credit from other in-
20 stitutions, including that credit hours from
21 another institution that are accepted to-
22 ward the student’s educational program
23 are counted as both attempted and com-
24 pleted hours; and

1 “(ii) how after a student reenrolls
2 after the student’s satisfactory academic
3 progress was reset pursuant to paragraph
4 (3)(B), the student may have any credits
5 that were earned before the student was
6 determined not to be making satisfactory
7 academic progress counted for purposes of
8 determining progress when the student re-
9 enrolls, but any attempted hours (including
10 incompletes, withdrawn courses, and failed
11 courses) the student may have accumu-
12 lated before the student was determined
13 not to be making satisfactory academic
14 progress would not negatively impact the
15 determination of the student’s making sat-
16 isfactory academic progress after such
17 reset;

18 “(F) the policy provides that, a student
19 who has not achieved the required GPA, or who
20 is not making progress toward completion in
21 the student’s educational program, at the time
22 of each evaluation with respect to a student
23 who is in an educational program of 2 academic
24 years or less in length, or at the end of the sec-
25 ond academic year with respect to a student

1 who is in an educational program of more than
2 2 academic years in length, is no longer eligible
3 to receive assistance under this title, except as
4 provided in subparagraph (G) with respect to a
5 student placed on financial aid warning or fi-
6 nancial aid probation;

7 “(G) if the institution places students on
8 financial aid warning, or on financial aid proba-
9 tion, the policy describes these statuses and
10 that—

11 “(i) a student on financial aid warn-
12 ing—

13 “(I) may receive assistance under
14 this title for one payment period de-
15 spite a determination that the student
16 is not making satisfactory academic
17 progress; and

18 “(II) may be assigned such sta-
19 tus without an appeal or other action
20 by the student; and

21 “(ii) a student on financial aid proba-
22 tion may receive assistance under this title
23 for one payment period and the institution
24 may require the student to fulfill specific
25 terms and conditions, such as taking a re-

duced course load or enrolling in specific courses, and, at the end of such one payment period, the student must meet the institution's satisfactory academic progress standards or meet the requirements of the academic plan developed by the institution and the student to qualify for continued assistance under this title;

“(H) if the institution permits a student to appeal a determination by the institution that the student is not making satisfactory academic progress, the policy describes—

“(i) how the student may reestablish the student's eligibility to receive assistance under this title;

“(ii) the basis on which the student may file an appeal, including because of the death of a relative, an injury or illness of the student, or another special circumstances; and

“(iii) information the student must submit regarding why the student failed to make satisfactory academic progress, and what has changed in the student's situation that will allow the student to dem-

1 onstrate satisfactory academic progress at
2 the next evaluation;

3 “(I) if the institution does not permit a
4 student to appeal a determination by the insti-
5 tution that the student is not making satisfac-
6 tory academic progress, the policy describes
7 how the student may reestablish the student’s
8 eligibility to receive assistance under this title;

9 “(J) the policy provides for notification to
10 students of the results of an evaluation that im-
11 pacts the student’s eligibility for assistance
12 under this title; and

13 “(K) the policy does not impose satisfac-
14 tory progress limitations on institutional aid
15 that are more stringent than the standard ap-
16 plied under this subsection without dem-
17 onstrating to the Secretary the effectiveness of
18 such limitations on improving student persist-
19 ence in, and completion of, postsecondary study.

20 “(3) REGAINING ELIGIBILITY.—

21 “(A) STUDENTS WHO REMAIN IN
22 SCHOOL.—Whenever a student fails to meet the
23 eligibility requirements of subsection (a)(2) as a
24 result of the application of this subsection and
25 subsequent to that failure the student has aca-

1 demic standing consistent with the require-
2 ments for graduation, as determined by the in-
3 stitution, for any grading period, the student
4 may, subject to this subsection, again be eligible
5 under subsection (a)(2) for a grant, loan, or
6 work assistance under this title.

7 “(B) STUDENTS WHO LEAVE SCHOOL.—If
8 a student has not been enrolled in any institu-
9 tion of higher education for the immediately
10 preceding 2 years, any previous failure to meet
11 the eligibility requirements of subsection (a)(2)
12 shall not be used in any determination of eligi-
13 bility of such student under such subsection.
14 Such student described in the preceding sen-
15 tence shall, after the date of enrollment subse-
16 quent to such 2 year period, meet the require-
17 ments described in paragraph (2). A student
18 shall be eligible for a reset of eligibility pursu-
19 ant to this paragraph not more than 2 times.
20 The Secretary shall—

21 “(i) send a notification to each stu-
22 dent who failed to meet the eligibility re-
23 quirements of subsection (a)(2) once such
24 student regains eligibility for a grant, loan,

1 or work assistance under this title pursu-
2 ant to this paragraph, including—

3 “(I) information that the student
4 may use grant, loan, or work assist-
5 ance under this title for enrollment at
6 any eligible institution, not just the
7 institution in which the student was
8 previously enrolled;

9 “(II) information on how many
10 semesters of eligibility for a grant,
11 loan, or work assistance under this
12 title to which the student still has ac-
13 cess; and

14 “(III) that the student should
15 ask any prospective eligible institution
16 how many of the student’s previously
17 completed credits the student would
18 be able to transfer; and

19 “(ii) submit an annual report to Con-
20 gress on the outcomes of students who
21 have received a reset of eligibility pursuant
22 to this paragraph, including—

23 “(I) the number of students who
24 reenroll in an eligible institution after
25 such reset, disaggregated by race or

1 ethnicity, sex, age, socioeconomic sta-
 2 tus, and disability status;

3 “(II) the 250 eligible institutions
 4 with the highest numbers of enrolled
 5 students receiving grant, loan, or
 6 work assistance under this title after
 7 such a reset; and

8 “(III) the average completion
 9 rate and time to completion for stu-
 10 dents who reenroll in an eligible insti-
 11 tution after such reset, broken down
 12 by institution.

13 “(4) EVALUATION OF ACADEMIC PROGRESS.—

14 “(A) IN GENERAL.—An institution that
 15 determines that a student is not making
 16 progress under its policy may disburse funds
 17 under this title to the student subject to this
 18 paragraph.

19 “(B) PAYMENT PERIOD FOLLOWING NOT
 20 MAKING ACADEMIC PROGRESS.—For the pay-
 21 ment period following the payment period in
 22 which a student did not make satisfactory aca-
 23 demic progress, the institution may place the
 24 student on financial aid warning and disburse
 25 funds under this title to the student.

1 “(C) PAYMENT PERIOD FOLLOWING FI-
2 NANCIAL AID WARNING.—For the payment pe-
3 riod following a payment period during which a
4 student was on financial aid warning, the insti-
5 tution may place the student on financial aid
6 probation, and disburse funds under this title to
7 the student if—

8 “(i) the institution evaluates the stu-
9 dent’s progress and determines that stu-
10 dent did not make satisfactory academic
11 progress during the payment period the
12 student was on financial aid warning;

13 “(ii) the student appeals the deter-
14 mination; and

15 “(iii)(I) the institution determines
16 that the student should be able to meet the
17 institution’s satisfactory academic progress
18 standards by the end of the subsequent
19 payment period; or

20 “(II) the institution develops an aca-
21 demic plan for the student that, if fol-
22 lowed, will ensure that the student is able
23 to meet the institution’s satisfactory aca-
24 demic progress standards by a specific
25 point in time.

“(D) PAYMENT PERIOD FOLLOWING FINANCIAL AID PROBATION.—A student on financial aid probation for a payment period may not receive funds under this title for the subsequent payment period unless the student makes satisfactory academic progress or the institution determines that the student met the requirements specified by the institution in the academic plan for the student.”.

SEC. 5. COMMUNICATING SATISFACTORY ACADEMIC PROGRESS STANDARDS.

(a) IN GENERAL.—Section 484(c) of the Higher Education Act of 1965 (20 U.S.C. 1091(c)), as amended by section 4, is further amended by adding at the end the following:

“(5) DETAILING REQUIREMENTS TO STUDENTS.—Each institution of higher education that enrolls students who receive any grant, loan, or work assistance under this title shall detail the institution’s requirements regarding students maintaining satisfactory progress—

“(A) to such students before the students begin classes at the institution through a detailed communication that may be separate from a financial aid offer; and

1 “(B) on the financial aid web page of the
2 website of the institution.”.

3 (b) CONSUMER TESTING.—The Secretary of Edu-
4 cation—

5 (1) shall conduct consumer testing to develop
6 exemplary practices and templates—

7 (A) to support institutions of higher edu-
8 cation in carrying out section 484(c)(5) of the
9 Higher Education Act of 1965 (20 U.S.C.
10 1091(c)(5)); and

11 (B) which shall be available as resources
12 for institutions of higher education; and

13 (2) shall not require the use of such practices
14 and templates by institutions of higher education.

15 (c) EFFECTIVE DATE.—This section and the amend-
16 ment made by this section shall take effect on—

17 (1) the first July 30 following the date of enact-
18 ment of this Act; or

19 (2) if the first July 30 following the date of en-
20 actment of this Act is less than 6 months from such
21 date of enactment, the second July 30 following the
22 date of enactment of this Act.

1 **SEC. 6. FREQUENCY OF SATISFACTORY ACADEMIC**
2 **PROGRESS EVALUATION AND COMMUNICA-**
3 **TION.**

4 (a) IN GENERAL.—Section 484(c)(4) of the Higher
5 Education Act of 1965 (20 U.S.C. 1091(c)), as amended
6 by section 4, is further amended by adding at the end the
7 following:

8 “(E) FREQUENCY OF ACADEMIC PROGRESS
9 EVALUATION AND COMMUNICATION.—

10 “(i) IN GENERAL.—Subject to clause
11 (ii), for the purpose of determining wheth-
12 er presently enrolled students are main-
13 taining satisfactory progress, each institu-
14 tion of higher education that enrolls stu-
15 dents who receive any grant, loan, or work
16 assistance under this title shall review the
17 progress of such students at the end of
18 each payment period (as described in sec-
19 tion 668.4 of title 34, Code of Federal
20 Regulations, or any successor regulation).

21 “(ii) SHORTER PAYMENT PERIODS.—
22 For institutions described in clause (i) that
23 have payment periods that are shorter
24 than on the semester system basis (such as
25 on a quarterly or trimester systems basis
26 or by clock hour program or non-term pro-

gram), such institutions shall review the progress of presently enrolled students at the end of each semester or equivalent period of 12 to 18 weeks.

“(iii) FINANCIAL AID WARNING.— Each institution described in clause (i), at the end of the payment period (or at the end of the semester or equivalent period for institutions described in clause (ii)), shall send a financial aid warning to presently enrolled students that do not meet the GPA requirement described in paragraph (2), or its equivalent or academic standing consistent with the requirements for graduation, as determined by the institution, that informs the students of their risk of being determined to not be maintaining satisfactory progress and therefore losing eligibility for grant, loan, or work assistance under this title and provides information on—

“(I) the specific criteria of the institution’s academic requirements that the student is not meeting and the

1 specific improvements needed to meet
 2 the requirements; and

3 “(II) how to meet with the stu-
 4 dent’s academic advisor to get the
 5 academic support the student needs.”.

6 (b) EFFECTIVE DATE.—This section and the amend-
 7 ment made by this section shall take effect on—

8 (1) the first July 30 following the date of enact-
 9 ment of this Act; or

10 (2) if the first July 30 following the date of en-
 11 actment of this Act is less than 6 months from such
 12 date of enactment, the second July 30 following the
 13 date of enactment of this Act.

14 **SEC. 7. LEVERAGING THE STRENGTHENING INSTITUTIONS**
 15 **PROGRAM TO SUPPORT STUDENTS NOT**
 16 **MEETING SATISFACTORY ACADEMIC**
 17 **PROGRESS REQUIREMENTS.**

18 Section 311(c)(6) of the Higher Education Act of
 19 1965 (20 U.S.C. 1057(c)(6)) is amended by inserting
 20 “(especially students not meeting satisfactory academic
 21 progress requirements)” after “retain students”.

○