

116TH CONGRESS
1ST SESSION

S. 889

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.

IN THE SENATE OF THE UNITED STATES

MARCH 27, 2019

Mr. GRASSLEY (for himself, Ms. SMITH, and Ms. ERNST) 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 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)(C)”;

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 input screen for the net price
18 calculator displays a chart of the net prices for
19 students receiving Federal student financial aid
20 under title IV (as required by subsection (i)(5))
21 for the most recent academic year for which
22 data are available, disaggregated by income cat-
23 egories.

24 “(C) The results screen for the calculator
25 specifies the following information:

“(i) The individual net price (as calculated under paragraph (2)) for the individual student, which is the most visually prominent figure on the results screen, including a statement of—

“(I) the year for which the net price applies; and

“(II) the year from which the data was used to determine that net price.

“(ii) Cost of attendance, including—

“(I) the total estimated cost for a student to complete the program of study, based on normal time for completion of, or graduation from, the student’s particular program of study;

“(II) the total annual cost of attendance;

“(III) annual tuition and fees;

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

“(V) average annual cost of books and supplies for a first-time,

1 full-time undergraduate student en-
2 rolled in the institution;

3 “(VI) estimated annual cost of
4 other expenses (including personal ex-
5 penses and transportation) for a first-
6 time, full-time undergraduate student
7 enrolled in the institution; and

8 “(VII) a statement of—

9 “(aa) the year for which
10 each cost described in this clause
11 applies; and

12 “(bb) the year from which
13 the data was used to determine
14 each cost described in this clause.

15 “(iii) Estimated total need-based
16 grant aid and merit-based grant aid, from
17 Federal, State, and institutional sources,
18 that may be available to the individual stu-
19 dent, showing the subtotal for each cat-
20 egory and the total of all sources of grant
21 aid, and disaggregated by academic year
22 for normal time for completion of, or grad-
23 uation from, the student’s particular pro-
24 gram of study.

1 “(iv) Percentage of the first-time, full-
2 time undergraduate students enrolled in
3 the institution that received any type of
4 grant aid described in clause (iii), disag-
5 gregated by their first year and subsequent
6 years of enrollment up to the number of
7 years for normal completion of, or gradua-
8 tion from, their particular program of
9 study.

10 “(v) The disclaimer described in para-
11 graph (6).

12 “(vi) In the case of a calculator
13 that—

14 “(I) includes questions to esti-
15 mate a student’s (or prospective stu-
16 dent’s) eligibility for veterans’ edu-
17 cation benefits (as defined in section
18 480) or educational benefits for active
19 duty service members, such benefits
20 are displayed on the results screen in
21 a manner that clearly distinguishes
22 them from the grant aid described in
23 clause (iii); or

24 “(II) does not include questions
25 to estimate eligibility for the benefits

1 described in subclause (I), the results
2 screen indicates—

3 “(aa) that certain students
4 (or prospective students) may
5 qualify for such benefits;

6 “(bb) states why the institu-
7 tion is not including questions to
8 estimate a student’s eligibility for
9 such benefits; and

10 “(cc) includes a link to an
11 appropriate Federal website that
12 provides information about such
13 benefits.

14 “(D) The institution populates the calcu-
15 lator with data from not earlier than 2 aca-
16 demic years prior to the most recent academic
17 year.

18 “(5) PROHIBITION ON USE OF DATA COL-
19 LECTED BY THE NET PRICE CALCULATOR.—A net
20 price calculator for an institution of higher edu-
21 cation shall—

22 “(A) clearly indicate which questions are
23 required to be completed for an estimate of the
24 net price from the calculator;

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

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

7 “(D) clearly state ‘Any information that
 8 you provide on this site is confidential. The Net
 9 Price Calculator does not store your responses
 10 or require personal identifying information of
 11 any kind.’”.

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

13 Section 132(h) of the Higher Education Act of 1965
 14 (20 U.S.C. 1015a(h)), as amended by section 2, is further
 15 amended by adding at the end the following:

16 “(7) UNIVERSAL NET PRICE CALCULATOR.—

17 “(A) IN GENERAL.—The Secretary may
 18 develop a universal net price calculator that is
 19 housed within the Department of Education,
 20 with Department branding, and that may be
 21 based on or utilize an existing platform devel-
 22 oped by a public or private entity, that—

23 “(i) enables users to answer one set of
 24 questions and receive net prices for any in-

stitution that is required to have a net price calculator under this subsection;

“(ii) provides the information required under subparagraphs (C) and (D) of paragraph (4) for each institution for which a net price is being sought;

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

“(iv) before being finalized and publicly released, is tested in accordance with subparagraph (B).

“(B) CONSUMER TESTING.—

“(i) IN GENERAL.—If the Secretary develops a universal net price calculator under subparagraph (A), the Secretary, in consultation with the heads of relevant Federal agencies, shall establish a process to submit the universal net price calculator developed under this paragraph for consumer testing among representatives of students (including low-income students, first generation college students, adult students, and prospective students), students’ families (including low-income families, families with first generation college stu-

dents, and families with prospective students), institutions of higher education, secondary school and postsecondary counselors, and nonprofit consumer groups.

“(ii) LENGTH OF CONSUMER TESTING.—The Secretary shall ensure that the consumer testing lasts no longer than 6 months after the process for consumer testing is developed under clause (i).

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

“(iv) REPORTING REQUIREMENT.—Not later than 3 months after the date the consumer testing under clause (i) concludes, the Secretary shall submit to Congress the final universal net price calculator and a report detailing the results of such testing, including whether the Secretary added any additional items to the calculator as a result of such testing.

“(v) AUTHORITY TO MODIFY.—The Secretary may modify the definitions, terms, formatting, and design of the uni-

1 versal net price calculator based on the re-
2 sults of consumer testing required under
3 this paragraph and before finalizing the
4 calculator.

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

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