

Subsec. (c)(4)(B). Pub. L. 100-50, §14(5), substituted “\$15,999” for “\$15,000”.

Subsec. (c)(4)(C). Pub. L. 100-50, §14(6), substituted “\$16,000” for “\$15,000” in three places.

Subsec. (d). Pub. L. 100-50, §14(1), (8), substituted “section 1087rr of this title” for “section 1087ss of this title” in text and inserted a minus sign before “\$3,409” in two places in table.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2020 AMENDMENT

Amendment by Pub. L. 116-260 effective July 1, 2024, except as otherwise expressly provided, and applicable with respect to award year 2024-2025 and each subsequent award year, as determined under this chapter, see section 701(b) of Pub. L. 116-260, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111-39 effective as if enacted on the date of enactment of Pub. L. 110-315 (Aug. 14, 2008), see section 3 of Pub. L. 111-39, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110-84 effective July 1, 2009, see section 601(e) of Pub. L. 110-84, set out as a note under section 1087oo of this title.

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109-171 effective July 1, 2006, except as otherwise provided, see section 8001(c) of Pub. L. 109-171, set out as a note under section 1002 of this title.

Pub. L. 109-171, title VIII, §8017(c)(2), Feb. 8, 2006, 120 Stat. 173, provided that: “The amendment made by paragraph (1) [amending this section] shall apply with respect to determinations of need for periods of enrollment beginning on or after July 1, 2007.”

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244, effective Oct. 7, 1998, and applicable with respect to determinations of need under this part for academic years beginning on or after July 1, 2000, see section 480A of Pub. L. 105-244, set out as a note under section 1087kk of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-208 effective as if included in the Higher Education Amendments of 1992, Pub. L. 102-325, except as otherwise provided, see section 5(a) of Pub. L. 103-208, set out as a note under section 1051 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 applicable with respect to determinations of need under this part for award years beginning on or after July 1, 1993, see section 471(b) of Pub. L. 102-325, set out as a note under section 1087kk of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99-498, see section 27 of Pub. L. 100-50, set out as a note under section 1001 of this title.

§ 1087rr. Regulations; updated tables

(a) Authority to prescribe regulations restricted

Notwithstanding any other provision of law, the Secretary shall not have the authority to prescribe regulations to carry out this part except—

- (1) to prescribe updated tables in accordance with subsections (b) through (g); and

- (2) with respect to the definition of cost of attendance under section 1087ll of this title, excluding section 1087ll(a)(1) of this title.

(b) Income protection allowance adjustments

For award year 2023-2024 and each subsequent award year, the Secretary shall publish in the Federal Register revised income protection allowances for the purposes of subsections (c)(3) and (g)(2)(C) of section 1087oo of this title, subclauses (I) and (II) of section 1087pp(b)(1)(A)(iii) of this title, and section 1087qq(b)(3) of this title, by increasing the income protection allowances in each of such provisions, by a percentage equal to the percentage increase in the Consumer Price Index, as defined in subsection (f), between April 2020 and the April in the year prior to the beginning of the award year and rounding the result to the nearest \$10.

(c) Adjusted net worth of a farm or business

(1) Table

The table of the net worth of a farm or business for purposes of making determinations of assets as defined under section 1087vv(f) of this title is the following:

Farm/Business Net Worth Adjustment	
If the net worth of a farm or business is—	Then the adjusted net worth is—
Less than \$1	\$0
\$1 to \$140,000	40% of net worth of farm/business
\$140,001 to \$415,000	\$56,000 + 50% of net worth over \$140,000
\$415,001 to \$695,000	\$193,500 + 60% of net worth over \$415,000
\$695,001 or more	\$361,500 + 100% of net worth over \$695,000.

(2) Revised tables

For award year 2023-2024 and each subsequent award year, the Secretary shall publish in the Federal Register a revised table of the adjusted net worth of a farm or business for purposes of section 1087vv(f) of this title. Such revised table shall be developed—

- (A) by increasing each dollar amount that refers to net worth of a farm or business by a percentage equal to the percentage increase in the Consumer Price Index between April 2020 and the April in the year prior to the beginning of such award year, and rounding the result to the nearest \$5,000; and

- (B) by adjusting the dollar amounts in the column referring to the adjusted net worth to reflect the changes made pursuant to subparagraph (A).

(d) Asset protection allowance

For award year 2023-2024 and each subsequent award year, the Secretary shall publish in the Federal Register a revised table of allowances for the purpose of sections 1087oo(d)(2), 1087pp(c)(2), and 1087qq(c)(2) of this title. Such revised table shall be developed by determining the present value cost, rounded to the nearest \$100, of an annuity that would provide, for each age cohort of 40 and above, a supplemental income at age 65 (adjusted for inflation) equal to the difference between the moderate family income (as most recently determined by the Bu-

reau of Labor Statistics), and the current average social security retirement benefits. For each age cohort below 40, the allowance shall be computed by decreasing the allowance for age 40, as updated, by one-fifteenth for each year of age below age 40 and rounding the result to the nearest \$100. In making such determinations—

(1) the tables of allowances specified in sections 1087oo(d)(2), 1087pp(c)(2), and 1087qq(c)(2) of this title shall be considered to be for award year 2021–2022 for the purposes of calculating inflation;

(2) inflation shall be presumed to be 6 percent per year;

(3) the rate of return of an annuity shall be presumed to be 8 percent; and

(4) the sales commission on an annuity shall be presumed to be 6 percent.

(e) Assessment schedules and rates

For award year 2023–2024 and each subsequent award year, the Secretary shall publish in the Federal Register a revised table of assessments from adjusted available income for the purpose of sections 1087oo(e) and 1087qq(d) of this title. Such revised table shall be developed—

(1) by increasing each dollar amount that refers to adjusted available income by a percentage equal to the percentage increase in the Consumer Price Index between April 2020 and the April in the year prior to the beginning of such academic year, rounded to the nearest \$100; and

(2) by adjusting the other dollar amounts to reflect the changes made pursuant to paragraph (1).

(f) Consumer price index defined

In this section, the term “Consumer Price Index” means the Consumer Price Index for All Urban Consumers published by the Department of Labor. Each annual update of tables to reflect changes in the Consumer Price Index shall be corrected for misestimation of actual changes in such Index in previous years.

(g) Employment expense allowance

For award year 2023–2024 and each succeeding award year, the Secretary shall publish in the Federal Register a revised table of employment expense allowances for the purpose of sections 1087oo(c)(4), 1087pp(b)(3), and 1087qq(b)(4) of this title. Such revised table shall be developed by increasing the dollar amount specified in sections 1087oo(c)(4), 1087pp(b)(3), and 1087qq(b)(4) of this title by a percentage equal to the percentage increase in the Consumer Price Index, as defined in subsection (f), between April 2020 and the April in the year prior to the beginning of the award year and rounding the result to the nearest \$10.

(h) Clarification for award year 2023–2024

For award year 2023–2024, the Secretary shall determine adjusted amounts and prescribe revised tables with respect to the income protection, employment expense, and asset protection allowances and the assessment schedules under sections 1087oo, 1087pp, and 1087qq of this title, pursuant to this section. The amounts and tables specified in sections 1087oo, 1087pp, and 1087qq of this title with respect to such allow-

ances and schedules shall only be used by the Secretary as a baseline for adjustments and table revisions prescribed in accordance with this section.

(Pub. L. 89–329, title IV, §478, as added Pub. L. 99–498, title IV, §406(a), Oct. 17, 1986, 100 Stat. 1470; amended Pub. L. 100–50, §14(20)–(22), June 3, 1987, 101 Stat. 351, 352; Pub. L. 102–325, title IV, §471(a), July 23, 1992, 106 Stat. 602; Pub. L. 103–208, §2(g)(8), (9), Dec. 20, 1993, 107 Stat. 2472; Pub. L. 105–244, title IV, §476, Oct. 7, 1998, 112 Stat. 1730; Pub. L. 109–171, title VIII, §8017(d), (e), Feb. 8, 2006, 120 Stat. 173, 174; Pub. L. 110–84, title VI, §601(d), Sept. 27, 2007, 121 Stat. 803; Pub. L. 116–260, div. FF, title VII, §702(g), Dec. 27, 2020, 134 Stat. 3150.)

Editorial Notes

AMENDMENTS

2020—Pub. L. 116–260 amended section generally. Prior to amendment, section related to authority to update certain tables, including a revised table of State and other tax allowances, and authority to propose modifications in need analysis methodology.

2007—Subsec. (b)(1). Pub. L. 110–84, §601(d)(1), added par. (1) and struck out former par. (1). Prior to amendment, par. (1) required the Secretary to publish in the Federal Register, for each academic year after academic year 1993–1994, a revised table of income protection allowances for the purpose of sections 1087oo(c)(4) and 1087qq(b)(4) of this title.

Subsec. (b)(2). Pub. L. 110–84, §601(d)(2), substituted “shall be developed for each academic year after academic year 2012–2013, by increasing each of the dollar amounts contained in such section for academic year 2012–2013 by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) between December 2011 and the December next preceding the beginning of such academic year, and rounding the result to the nearest \$10.” for “shall be developed by increasing each of the dollar amounts contained in such section by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) between December 2006 and the December next preceding the beginning of such academic year, and rounding the result to the nearest \$10.”

2006—Subsec. (b)(1). Pub. L. 109–171, §8017(d)(1), inserted at end “For the 2007–2008 academic year, the Secretary shall revise the tables in accordance with this paragraph, except that the Secretary shall increase the amounts contained in the table in section 1087qq(b)(4) of this title by a percentage equal to the greater of the estimated percentage increase in the Consumer Price Index (as determined under the preceding sentence) or 5 percent.”

Subsec. (b)(2). Pub. L. 109–171, §8017(d)(2), substituted “2007–2008” for “2000–2001” and “2006” for “1999”.

Subsec. (h). Pub. L. 109–171, §8017(e), struck out “1087pp(b)(4)(B),” after “1087pp(b)(4)(A),” and substituted “food away from home, apparel, transportation, and household furnishings and operations” for “meals away from home, apparel and upkeep, transportation, and housekeeping services”.

1998—Subsec. (b). Pub. L. 105–244 designated existing provisions as par. (1), inserted heading, and added par. (2).

1993—Subsec. (b). Pub. L. 103–208, §2(g)(8)(A), substituted “1993–1994” for “1992–1993”.

Subsec. (c). Pub. L. 103–208, §2(g)(8), substituted “1993–1994” for “1992–1993” in introductory provisions and inserted “December” before “1992” in par. (1).

Subsecs. (d), (e), (g). Pub. L. 103–208, §2(g)(8)(A), substituted “1993–1994” for “1992–1993”.

Subsec. (h). Pub. L. 103–208, §2(g)(8)(A), (9), substituted “1993–1994” for “1992–1993” and “Bureau of Labor Statistics” for “Bureau of Labor Standards”.

1992—Pub. L. 102-325 amended section generally, revising and restating as subsecs. (a) to (h) provisions formerly contained in subsecs. (a) to (f).

1987—Subsec. (c)(2). Pub. L. 100-50, §14(21), substituted “\$24,000”, “\$84,000”, and “\$156,000” for “\$26,000”, “\$91,000”, and “\$169,000”.

Subsec. (d). Pub. L. 100-50, §14(20), inserted “, rounded to the nearest \$100,” after “present value cost” and “of 40 and above” after “each age cohort” in second sentence and, after second sentence, inserted “For each age cohort below 40, the asset protection allowance shall be computed by decreasing the asset protection allowance for age 40, as updated, by one-fifteenth for each year of age below age 40 and rounding the result to the nearest \$100.”

Subsec. (f). Pub. L. 100-50, §14(22), substituted “Consumer Price Index for All Urban Consumers” for “Consumer Price Index for Wage Earners and Clerical Workers”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2020 AMENDMENT

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EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109-171 effective July 1, 2006, except as otherwise provided, see section 8001(c) of Pub. L. 109-171, set out as a note under section 1002 of this title.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244 effective Oct. 7, 1998, see section 480A of Pub. L. 105-244, set out as a note under section 1087kk of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-208 effective as if included in the Higher Education Amendments of 1992, Pub. L. 102-325, except as otherwise provided, see section 5(a) of Pub. L. 103-208, set out as a note under section 1051 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-325 applicable with respect to determinations of need under this part for award years beginning on or after July 1, 1993, see section 471(b) of Pub. L. 102-325, set out as a note under section 1087kk of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99-498, see section 27 of Pub. L. 100-50, set out as a note under section 1001 of this title.

§ 1087ss. Eligible applicants exempt from asset reporting

(a) In general

Notwithstanding any other provision of law, this section shall be effective for each individual seeking to apply for Federal financial aid under this subchapter, as part of the simplified application for Federal student financial aid under section 1090 of this title, on or after July 1, 2024.

(b) Applicants exempt from asset reporting

(1) In general

Except as provided in paragraph (3), in carrying out section 1090 of this title, the Secretary shall not use asset information from an eligible applicant or, as applicable, the parent or spouse of an eligible applicant.

(2) Eligible applicants

In this subsection, the term “eligible applicant” means an applicant who meets at least one of the following criteria:

(A) Is an applicant who qualifies for an automatic zero student aid index or negative student aid index under subsection (b) or (c) of section 1087mm of this title.

(B) Is an applicant who is a dependent student and the student’s parents have a total adjusted gross income (excluding any income of the dependent student) that is less than \$60,000 and do not file a Schedule A, B, D, E, F, or H (or equivalent successor schedules) with the Federal income tax return for the second preceding tax year, and—

(i) do not file a Schedule C (or the equivalent successor schedule) with the Federal income tax return for the second preceding tax year; or

(ii) file a Schedule C (or the equivalent successor schedule) with net business income of not more than a \$10,000 loss or gain with the Federal income tax return for the second preceding tax year.

(C) Is an applicant who is an independent student and the student (including the student’s spouse, if any) has a total adjusted gross income that is less than \$60,000 and does not file a Schedule A, B, D, E, F, or H (or equivalent successor schedules), with the Federal income tax return for the second preceding tax year, and—

(i) does not file a Schedule C (or the equivalent successor schedule) with the Federal income tax return for the second preceding tax year; or

(ii) files a Schedule C (or the equivalent successor schedule) with net business income of not more than a \$10,000 loss or gain with the Federal income tax return for the second preceding tax year.

(D) Is an applicant who, at any time during the previous 24-month period, received a benefit under a means-tested Federal benefit program (or whose parent or spouse received such a benefit, as applicable).

(3) Special rule

An eligible applicant shall not be exempt from asset reporting under this section if the applicant is a dependent student and the students’ parents do not—

(A) reside in the United States or a United States territory; or

(B) file taxes in the United States or a United States territory, except if such non-filing is due to not being required to file a Federal tax return for the applicable tax year due to a low income.

(4) Definitions

In this section: