

115TH 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

APRIL 7, 2017

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

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—

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

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

“(iii) may also be included on the institution’s compliance web page, which contains information relating to compliance with Federal, State, and local laws.

“(B) The results screen for the calculator 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.

“(ii) Cost of attendance, including—

“(I) annual tuition and fees and total estimated cost for a student,

1 based on normal time for completion
2 of, or graduation from, the student's
3 particular program of study;

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

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

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

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

uation from, the student's particular program of study.

“(iv) Percentage of the first-time, full-time undergraduate students enrolled in the institution that received any type of grant aid described in clause (iii), disaggregated by their first year and subsequent years of enrollment up to the number of years for normal completion of, or graduation from, their particular program of study.

“(v) The disclaimer described in paragraph (6).

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

“(I) includes questions to estimate a student's (or prospective student's) eligibility for veterans' education benefits (as defined in section 480) or educational benefits for active duty service members, such benefits are displayed on the results screen in a manner that clearly distinguishes them from the grant aid described in clause (iii); or

1 “(II) does not include questions
 2 to estimate eligibility for the benefits
 3 described in subclause (I), the results
 4 screen indicates—

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

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

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

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

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

1 “(A) clearly indicate which questions are
 2 required to be completed for an estimate of the
 3 net price from the calculator;

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

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

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

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

16 Section 132(h) of the Higher Education Act of 1965
 17 (20 U.S.C. 1015a(h)), as amended by section 2, is further
 18 amended by adding at the end the following:

19 “(7) UNIVERSAL NET PRICE CALCULATOR.—

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

“(i) enables users to answer one set of questions and receive net prices for any institution that is required to have a net price calculator under this subsection;

“(ii) provides the information required under subparagraphs (B) and (C) 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’

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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