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(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To amend the Higher Education Act of 1965 to authorize institutions of higher education to limit the amount of a Federal loan that an enrolled student may borrow.

IN THE HOUSE OF REPRESENTATIVES

Mr. GROTHMAN introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Higher Education Act of 1965 to authorize institutions of higher education to limit the amount of a Federal loan that an enrolled student may borrow.

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 “Responsible Borrowing
5 Act of 2023”.

1 **SEC. 2. INSTITUTIONAL DETERMINED LIMITS.**

2 Section 455(a) of the Higher Education Act of 1965
3 (20 U.S.C. 1087e(a)) is amended by adding at the end
4 the following new paragraph:

5 “(4) INSTITUTIONAL DETERMINED LIMITS.—

6 “(A) IN GENERAL.—Notwithstanding any
7 other provision of this Act, an institution of
8 higher education (at the discretion of a finan-
9 cial aid administrator at the institution) may
10 prorate or limit the amount of a loan any stu-
11 dent enrolled in a program of study at that in-
12 stitution may borrow under this part for an
13 academic year or in the aggregate—

14 “(i) if the institution can reasonably
15 demonstrate that student debt levels are or
16 would be excessive for such program, based
17 on—

18 “(I) the most recently available
19 data from the Bureau of Labor Sta-
20 tistics for the average or median
21 starting salary in the region in which
22 the institution is located for typical
23 occupations pursued by graduates of
24 such program; or

25 “(II) the most recently available
26 data from the College Scorecard (or

1 successor website) on the median
2 earnings of students who complete
3 such program;

4 “(ii) in a case in which the student is
5 enrolled on a less than full-time basis or
6 the student is enrolled for less than the pe-
7 riod of enrollment to which the annual loan
8 limit applies under this part, based on the
9 student’s enrollment status;

10 “(iii) based on the credential level
11 (such as a degree, certificate, or other rec-
12 ognized educational credential) that the
13 student would attain upon completion of
14 such program; or

15 “(iv) based on the year of the pro-
16 gram for which the student is seeking such
17 loan.

18 “(B) INCREASES FOR INDIVIDUAL STU-
19 DENTS.—Upon the request of a student whose
20 loan amount for an academic year has been
21 prorated or limited under subparagraph (A), an
22 eligible institution (at the discretion of the fi-
23 nancial aid administrator at the institution)
24 may increase such loan amount to an amount
25 not exceeding the annual loan amount applica-

1 ble to such student under this part for such
2 academic year at the discretion of the financial
3 aid administrator at the institution.

4 “(C) RULE OF CONSTRUCTION.—Nothing
5 in this paragraph shall be construed to author-
6 ize a proration or limiting of loan amounts by
7 an institution of higher education because of a
8 student’s race, color, religion, sex, marital sta-
9 tus, age, disability, or national origin.

10 “(D) EXCEPTION FOR CERTAIN STU-
11 DENTS.—This paragraph shall not apply to any
12 student enrolled in a program of study at an el-
13 igible institution as of June 30, 2024, or any
14 loans made under this part to such student for
15 such enrollment, during the period required for
16 the completion of such program.”.