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”.

SEC. 2. INSTITUTIONAL DETERMINED LIMITS.

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

“(4) INSTITUTIONAL DETERMINED LIMITS.—

“(A) IN GENERAL.—Notwithstanding any other provision of this Act, an institution of higher education (at the discretion of a financial aid administrator at the institution) may prorate or limit the amount of a loan any student enrolled in a program of study at that institution may borrow under this part for an academic year or in the aggregate—

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

“(I) the most recently available data from the Bureau of Labor Statistics for the average or median starting salary in the region in which the institution is located for typical occupations pursued by graduates of such program; or

“(II) the most recently available data from the College Scorecard (or...
successor website) on the median
earnings of students who complete
such program;

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

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

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

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

“(C) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to authorize a proration or limiting of loan amounts by an institution of higher education because of a student’s race, color, religion, sex, marital status, age, disability, or national origin.

“(D) EXCEPTION FOR CERTAIN STUDENTS.—This paragraph shall not apply to any student enrolled in a program of study at an eligible institution as of June 30, 2024, or any loans made under this part to such student for such enrollment, during the period required for the completion of such program.”.