

Suspend the Rules and Pass the Bill, HR. 5363, With an Amendment

(The amendment strikes all after the enacting clause and inserts a new text)

116TH CONGRESS
1ST SESSION

H. R.

To reauthorize mandatory funding programs for historically Black colleges and universities and other minority-serving institutions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 9, 2019

Ms. ADAMS introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To reauthorize mandatory funding programs for historically Black colleges and universities and other minority-serving institutions, and for other purposes.

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; REFERENCES.**

4 This Act may be cited as the “Fostering Under-
5 graduate Talent by Unlocking Resources for Education
6 Act” or the “FUTURE Act”.

1 **SEC. 2. CONTINUED SUPPORT FOR MINORITY-SERVING IN-**
2 **STITUTIONS.**

3 Section 371(b)(1)(A) of the Higher Education Act of
4 1965 (20 U.S.C. 1067q(b)(1)(A)) is amended by striking
5 “for each of the fiscal years 2008 through 2019.” and all
6 that follows through the end of the subparagraph and in-
7 serting “for fiscal year 2020 and each fiscal year there-
8 after.”.

9 **SEC. 3. SECURE DISCLOSURE OF TAX-RETURN INFORMA-**
10 **TION TO CARRY OUT THE HIGHER EDU-**
11 **CATION ACT OF 1965.**

12 (a) IN GENERAL.—Paragraph (13) of section 6103(l)
13 of the Internal Revenue Code of 1986 is amended to read
14 as follows:

15 “(13) DISCLOSURE OF RETURN INFORMATION
16 TO CARRY OUT THE HIGHER EDUCATION ACT OF
17 1965.—

18 “(A) APPLICATIONS AND RECERTIFI-
19 CATIONS FOR INCOME-CONTINGENT OR INCOME-
20 BASED REPAYMENT.—The Secretary shall, upon
21 written request from the Secretary of Edu-
22 cation, disclose to any authorized person, only
23 for the purpose of (and to the extent necessary
24 in) determining eligibility for, or repayment ob-
25 ligations under, income-contingent or income-
26 based repayment plans under title IV of the

1 Higher Education Act of 1965 with respect to
2 loans under part D of such title, the following
3 return information from returns (for any tax-
4 able year specified by the Secretary of Edu-
5 cation as relevant to such purpose) of an indi-
6 vidual certified by the Secretary of Education
7 as having provided approval under section
8 494(a)(2) of such Act (as in effect on the date
9 of enactment of this paragraph) for such disclo-
10 sure:

11 “(i) Taxpayer identity information.

12 “(ii) Filing status.

13 “(iii) Adjusted gross income.

14 “(iv) Total number of exemptions
15 claimed, if applicable.

16 “(v) Number of dependents taken into
17 account in determining the credit allowed
18 under section 24.

19 “(vi) If applicable, the fact that there
20 was no return filed.

21 “(B) DISCHARGE OF LOAN BASED ON
22 TOTAL AND PERMANENT DISABILITY.—The
23 Secretary shall, upon written request from the
24 Secretary of Education, disclose to any author-
25 ized person, only for the purpose of (and to the

1 extent necessary in) monitoring and reinstating
2 loans under title IV of the Higher Education
3 Act of 1965 that were discharged based on a
4 total and permanent disability (within the
5 meaning of section 437(a) of such Act), the fol-
6 lowing return information from returns (for any
7 taxable year specified by the Secretary of Edu-
8 cation as relevant to such purpose) of an indi-
9 vidual certified by the Secretary of Education
10 as having provided approval under section
11 494(a)(3) of such Act (as in effect on the date
12 of enactment of this paragraph) for such disclo-
13 sure:

14 “(i) The return information described
15 in clauses (i), (ii), and (vi) of subpara-
16 graph (A).

17 “(ii) The return information described
18 in subparagraph (C)(ii).

19 “(C) FEDERAL STUDENT FINANCIAL
20 AID.—The Secretary shall, upon written request
21 from the Secretary of Education, disclose to
22 any authorized person, only for the purpose of
23 (and to the extent necessary in) determining eli-
24 gibility for, and amount of, Federal student fi-
25 nancial aid under a program authorized under

1 subpart 1 of part A, part C, or part D of title
2 IV of the Higher Education Act of 1965 the
3 following return information from returns (for
4 the taxable year used for purposes of section
5 480(a) of such Act) of an individual certified by
6 the Secretary of Education as having provided
7 approval under section 494(a)(1) of such Act
8 (as in effect on the date of enactment of this
9 paragraph) for such disclosure:

10 “(i) Return information described in
11 clauses (i) through (vi) of subparagraph
12 (A).

13 “(ii) The amount of any net earnings
14 from self-employment (as defined in sec-
15 tion 1402(a)), wages (as defined in section
16 3121(a) or 3401(a)), and taxable income
17 from a farming business (as defined in sec-
18 tion 236A(e)(4)).

19 “(iii) Amount of total income tax.

20 “(iv) Amount of any credit allowed
21 under section 25A.

22 “(v) Amount of individual retirement
23 account distributions not included in ad-
24 justed gross income.

1 “(vi) Amount of individual retirement
2 account contributions and payments to
3 self-employed SEP, Keogh, and other
4 qualified plans which were deducted from
5 income.

6 “(vii) Amount of tax-exempt interest
7 received.

8 “(viii) Amounts from retirement pen-
9 sions and annuities not included in ad-
10 justed gross income.

11 “(ix) If applicable, the fact that any
12 of the following schedules (or equivalent
13 successor schedules) were filed with the re-
14 turn:

15 “(I) Schedule A.

16 “(II) Schedule B.

17 “(III) Schedule D.

18 “(IV) Schedule E.

19 “(V) Schedule F.

20 “(VI) Schedule H.

21 “(x) If applicable, the amount re-
22 ported on Schedule C (or an equivalent
23 successor schedule) as net profit or loss.

24 “(D) ADDITIONAL USES OF DISCLOSED IN-
25 FORMATION.—

1 “(i) IN GENERAL.—In addition to the
2 purposes for which information is disclosed
3 under subparagraphs (A), (B), and (C), re-
4 turn information so disclosed may be used
5 by an authorized person, with respect to
6 income-contingent or income-based repay-
7 ment plans, awards of Federal student fi-
8 nancial aid under a program authorized
9 under subpart 1 of part A, part C, or part
10 D of title IV of the Higher Education Act
11 of 1965, and discharges of loans based on
12 a total and permanent disability (within
13 the meaning of section 437(a) of such
14 Act), for purposes of—

15 “(I) reducing the net cost of im-
16 proper payments under such plans, re-
17 lating to such awards, or relating to
18 such discharges,

19 “(II) oversight activities by the
20 Office of Inspector General of the De-
21 partment of Education as authorized
22 by the Inspector General Act of 1978,
23 and

1 “(III) conducting analyses and
2 forecasts for estimating costs related
3 to such plans, awards, or discharges.

4 “(ii) LIMITATION.—The purposes de-
5 scribed in clause (i) shall not include the
6 conduct of criminal investigations or pros-
7 ecutions.

8 “(iii) REDISCLOSURE TO INSTITU-
9 TIONS OF HIGHER EDUCATION, STATE
10 HIGHER EDUCATION AGENCIES, AND DES-
11 IGNATED SCHOLARSHIP ORGANIZATIONS.—
12 Authorized persons may redisclose return
13 information received under subparagraph
14 (C), solely for the use in the application,
15 award, and administration of financial aid
16 awarded by the Federal government or
17 awarded by a person described in sub-
18 clause (I), (II), or (III), to the following
19 persons:

20 “(I) An institution of higher edu-
21 cation participating in a program
22 under subpart 1 of part A, part C, or
23 part D of title IV of the Higher Edu-
24 cation Act of 1965.

1 “(II) A State higher education
2 agency.

3 “(III) A scholarship organization
4 which is an entity designated (prior to
5 the date of the enactment of this
6 clause) by the Secretary of Education
7 under section 483(a)(3)(E) of such
8 Act.

9 This clause shall only apply to the extent
10 that the taxpayer with respect to whom the
11 return information relates provides written
12 consent for such redisclosure to the Sec-
13 retary of Education.

14 “(E) AUTHORIZED PERSON.—For pur-
15 poses of this paragraph, the term ‘authorized
16 person’ means, with respect to information dis-
17 closed under subparagraph (A), (B), or (C),
18 any person who—

19 “(i) is an officer, employee, or con-
20 tractor, of the Department of Education,
21 and

22 “(ii) is specifically authorized and des-
23 ignated by the Secretary of Education for
24 purposes of such subparagraph (applied

1 separately with respect to each such sub-
2 paragraph).

3 “(F) JOINT RETURNS.—In the case of a
4 joint return, any disclosure authorized under
5 subparagraph (A), (B), or (C) with respect to
6 an individual shall be treated for purposes of
7 this paragraph as applying with respect to the
8 taxpayer.”.

9 (b) CONFIDENTIALITY OF RETURN INFORMATION.—
10 Section 6103(a)(3) of such Code is amended by inserting
11 “, (13)” after “(12)”.

12 (c) CONFORMING AMENDMENTS.—

13 (1) Section 6103(p)(3)(A) of such Code is
14 amended by striking “(13)”.

15 (2) Section 6103(p)(4) of such Code is amend-
16 ed by inserting “, (13)” after after “(l)(10)” each
17 place it appears.

18 (d) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to disclosures after the date of the
20 enactment of this Act.

21 (e) REQUIREMENT TO DESIGNATE THE INSPECTOR
22 GENERAL OF THE DEPARTMENT OF EDUCATION AS AN
23 AUTHORIZED PERSON.—The Secretary of Education shall
24 authorize and designate the Inspector General of the De-
25 partment of Education as an authorized person under sub-

1 paragraph (E)(ii) of section 6103(l)(13) of the Internal
2 Revenue Code of 1986 for purposes of subparagraphs (A),
3 (B), and (C) of such section.

4 (f) REPORT TO TREASURY.—The Secretary of Edu-
5 cation shall annually submit a written report to the Sec-
6 retary of the Treasury—

7 (1) regarding redisclosures of return informa-
8 tion under subparagraph (D)(iii) of section
9 6103(l)(13) of the Internal Revenue Code of 1986,
10 including the number of such redisclosures, and

11 (2) regarding any unauthorized use, access, or
12 disclosure of return information disclosed under such
13 section.

14 (g) REPORT TO CONGRESS.—The Secretary of the
15 Treasury (or the Secretary’s designee) shall annually sub-
16 mit a written report to Congress regarding disclosures
17 under section 6103(l)(13) of the Internal Revenue Code
18 of 1986, including information provided to the Secretary
19 under subsection (f).

20 **SEC. 4. AUTOMATIC RECERTIFICATION OF INCOME.**

21 (a) INCOME-CONTINGENT REPAYMENT.—

22 (1) IN GENERAL.—Section 455(e) of the Higher
23 Education Act of 1965 (20 U.S.C. 1087e(e)) is
24 amended by adding at the end the following:

25 “(8) AUTOMATIC RECERTIFICATION.—

1 “(A) IN GENERAL.—The Secretary shall
2 establish and implement, with respect to any
3 borrower described in subparagraph (B), proce-
4 dures to—

5 “(i) use return information disclosed
6 under section 6103(l)(13) of the Internal
7 Revenue Code of 1986, pursuant to ap-
8 proval provided under section 494, to de-
9 termine the repayment obligation of the
10 borrower without further action by the bor-
11 rower;

12 “(ii) allow the borrower (or the spouse
13 of the borrower), at any time, to opt out
14 of disclosure under such section
15 6103(l)(13) and instead provide such infor-
16 mation as the Secretary may require to de-
17 termine the repayment obligation of the
18 borrower (or withdraw from the repayment
19 plan under this subsection); and

20 “(iii) provide the borrower with an op-
21 portunity to update the return information
22 so disclosed before the determination of the
23 repayment obligation of the borrower.

24 “(B) APPLICABILITY.—Subparagraph (A)
25 shall apply to each borrower of a loan made

1 under this part who, on or after the date on
2 which the Secretary establishes procedures
3 under such subparagraph—

4 “(i) selects, or is required to repay
5 such loan pursuant to, an income-conti-
6 gent repayment plan; or

7 “(ii) recertifies income or family size
8 under such plan.”.

9 (2) CONFORMING AMENDMENT.—Section
10 455(e)(6) of the Higher Education Act of 1965 (20
11 U.S.C. 1087e(e)(6)) is amended—

12 (A) by striking “including notification of
13 such borrower” and all that follows through
14 “that if a borrower” and inserting “including
15 notification of such borrower, that if a bor-
16 rower”; and

17 (B) by striking “as determined using the
18 information described in subparagraph (A), or
19 the alternative documentation described in
20 paragraph (3)”.

21 (b) INCOME-BASED REPAYMENT.—Section 493C(c)
22 of the Higher Education Act of 1965 (20 U.S.C. 1098e(e))
23 is amended—

24 (1) by striking “The Secretary shall establish”
25 and inserting the following:

1 “(1) IN GENERAL.—The Secretary shall estab-
2 lish”; and

3 (2) by striking “The Secretary shall consider”
4 and inserting the following:

5 “(2) PROCEDURES FOR ELIGIBILITY.—The Sec-
6 retary shall—

7 “(A) consider”;

8 (3) by striking “428C(b)(1)(E).” and inserting
9 the following: “428C(b)(1)(E); and

10 “(B) carry out, with respect to borrowers
11 of any loan made under part D (other than an
12 excepted PLUS loan or excepted consolidation
13 loan), procedures for income-based repayment
14 plans that are equivalent to the procedures car-
15 ried out under section 455(e)(8) with respect to
16 income-contingent repayment plans.”.

17 **SEC. 5. AUTOMATIC INCOME MONITORING PROCEDURES**

18 **AFTER A TOTAL AND PERMANENT DIS-**

19 **ABILITY DISCHARGE.**

20 Section 437(a) of the Higher Education Act of 1965
21 (20 U.S.C. 1087(a)) is amended by adding at the end the
22 following:

23 “(3) AUTOMATIC INCOME MONITORING.—

24 “(A) IN GENERAL.—The Secretary shall
25 establish and implement, with respect to any

1 borrower described in subparagraph (B), proce-
2 dures to—

3 “(i) use return information disclosed
4 under section 6103(l)(13) of the Internal
5 Revenue Code of 1986, pursuant to ap-
6 proval provided under section 494, to de-
7 termine the borrower’s continued eligibility
8 for the loan discharge described in sub-
9 paragraph (B);

10 “(ii) allow the borrower, at any time,
11 to opt out of disclosure under such section
12 6103(l)(13) and instead provide such infor-
13 mation as the Secretary may require to de-
14 termine the borrower’s continued eligibility
15 for such loan discharge; and

16 “(iii) provide the borrower with an op-
17 portunity to update the return information
18 so disclosed before determination of such
19 borrower’s continued eligibility for such
20 loan discharge.

21 “(B) APPLICABILITY.—Subparagraph (A)
22 shall apply—

23 “(i) to each borrower of a loan that is
24 discharged due to the total and permanent

1 disability (within the meaning of this sub-
2 section) of the borrower; and

3 “(ii) during the period beginning on
4 the date on which such loan is so dis-
5 charged and ending on the first day on
6 which such loan may no longer be rein-
7 stated.”.

8 **SEC. 6. PROCEDURE AND REQUIREMENTS FOR REQUEST-**
9 **ING TAX RETURN INFORMATION FROM THE**
10 **INTERNAL REVENUE SERVICE.**

11 (a) IN GENERAL.—Part G of title IV of the Higher
12 Education Act of 1965 (20 U.S.C. 1088 et seq.) is amend-
13 ed by adding at the end the following:

14 **“SEC. 494. PROCEDURE AND REQUIREMENTS FOR RE-**
15 **QUESTING TAX RETURN INFORMATION FROM**
16 **THE INTERNAL REVENUE SERVICE.**

17 “(a) NOTIFICATION AND APPROVAL REQUIRE-
18 MENTS.—

19 “(1) FEDERAL STUDENT FINANCIAL AID.—In
20 the case of any written or electronic application
21 under section 483 by an individual for Federal stu-
22 dent financial aid under a program authorized under
23 subpart 1 of part A, part C, or part D, the Sec-
24 retary, with respect to such individual and any par-

1 ent or spouse whose financial information is required
2 to be provided on such application, shall—

3 “(A) notify such individuals that—

4 “(i) if such individuals provide ap-
5 proval under subparagraph (B), the Sec-
6 retary will have the authority to request
7 that the Secretary of the Treasury disclose
8 return information of such individuals to
9 authorized persons (as defined in section
10 6103(l)(13) of the Internal Revenue Code
11 of 1986) for the relevant purposes de-
12 scribed in such section; and

13 “(ii) the failure to provide such ap-
14 proval for such disclosure will result in the
15 Secretary being unable to calculate eligi-
16 bility for such aid to such individual; and

17 “(B) require, as a condition of eligibility
18 for such aid, that such individuals affirmatively
19 approve the disclosure described in subpara-
20 graph (A)(i).

21 “(2) INCOME-CONTINGENT AND INCOME-BASED
22 REPAYMENT.—

23 “(A) NEW APPLICANTS.—In the case of
24 any written or electronic application by an indi-
25 vidual for an income-contingent or income-

1 based repayment plan for a loan under part D,
2 the Secretary, with respect to such individual
3 and any spouse of such individual, shall—

4 “(i) provide to such individuals the
5 notification described in paragraph
6 (1)(A)(i);

7 “(ii) require, as a condition of eligi-
8 bility for such repayment plan, that such
9 individuals—

10 “(I) affirmatively approve the
11 disclosure described in paragraph
12 (1)(A)(i) and agree that such approval
13 shall serve as an ongoing approval of
14 such disclosure until the date on
15 which the individual elects to opt out
16 of such disclosure under section
17 455(e)(8) or the equivalent procedures
18 established under section
19 493C(c)(2)(B), as applicable; or

20 “(II) provide such information as
21 the Secretary may require to confirm
22 the eligibility of such individual for
23 such repayment plan.

24 “(B) RECERTIFICATIONS.—With respect to
25 the first written or electronic recertification

1 (after the date of the enactment of the FU-
2 TURE Act) of an individual's income or family
3 size for purposes of an income-contingent or in-
4 come-based repayment plan (entered into before
5 the date of the enactment of the FUTURE
6 Act) for a loan under part D, the Secretary,
7 with respect to such individual and any spouse
8 of such individual, shall meet the requirements
9 of clauses (i) and (ii) of subparagraph (A) with
10 respect to such recertification.

11 “(3) TOTAL AND PERMANENT DISABILITY.—In
12 the case of any written or electronic application by
13 an individual for a discharge of a loan under this
14 title based on total and permanent disability (within
15 the meaning of section 437(a)) that requires income
16 monitoring, the Secretary shall—

17 “(A) provide to such individual the notifi-
18 cation described in paragraph (1)(A)(i); and

19 “(B) require, as a condition of eligibility
20 for such discharge, that such individual—

21 “(i) affirmatively approve the dislo-
22 sure described in paragraph (1)(A)(i) and
23 agree that such approval shall serve as an
24 ongoing approval of such disclosure until
25 the earlier of—

1 “(I) the date on which the indi-
2 vidual elects to opt out of such disclo-
3 sure under section 437(a)(3)(A); or

4 “(II) the first day on which such
5 loan may no longer be reinstated; or

6 “(ii) provide such information as the
7 Secretary may require to confirm the eligi-
8 bility of such individual for such discharge.

9 “(b) **LIMIT ON AUTHORITY.**—The Secretary shall
10 only have authority to request that the Secretary of the
11 Treasury disclose return information under section
12 6103(l)(13) of the Internal Revenue Code of 1986 with
13 respect to an individual if the Secretary of Education has
14 obtained approval under subsection (a) for such disclo-
15 sure.”.

16 (b) **CONFORMING AMENDMENT.**—Section 484(q) of
17 the Higher Education Act of 1965 (20 U.S.C. 1091(q))
18 is repealed.

19 **SEC. 7. INCREASED FUNDING FOR FEDERAL PELL GRANTS.**

20 Section 401(b)(7)(A)(iv) of the Higher Education Act
21 of 1965 (20 U.S.C. 1070a(b)(7)(A)(iv)) is amended—

22 (1) in subclause (X), by striking
23 “\$1,430,000,000” and inserting “\$1,455,000,000”;
24 and

1 (2) in subclause (XI), by striking
2 “\$1,145,000,000” and inserting “\$1,170,000,000”.

3 **SEC. 8. REPORTS ON IMPLEMENTATION.**

4 (a) IN GENERAL.—Not later than each specified
5 date, the Secretary of Education and the Secretary of the
6 Treasury shall issue joint reports to the Committees on
7 Health, Education, Labor, and Pensions and Finance of
8 the Senate and the Committees on Education and Labor
9 and Ways and Means of the House of Representatives re-
10 garding the amendments made by this Act. Each such re-
11 port shall include, as applicable—

12 (1) an update on the status of implementation
13 of the amendments made by this Act;

14 (2) an evaluation of how such implementation
15 had affected the processing of applications for Fed-
16 eral student financial aid, applications for income-
17 based repayment and income-contingent repayment,
18 and applications for discharge of loans under title IV
19 of the Higher Education Act of 1965 (20 U.S.C.
20 1070 et seq.) based on total and permanent dis-
21 ability; and

22 (3) implementation issues and suggestions for
23 potential improvements.

24 (b) SPECIFIED DATE.—For purposes of subsection
25 (a), the term “specified date” means—

1 (1) the date that is 90 days after the date of
2 the enactment of this Act;

3 (2) the date that is 120 days after the first day
4 that the disclosure process established under section
5 6103(l)(13) of the Internal Revenue Code of 1986,
6 as amended by section 3(a) of this Act, is oper-
7 ational and accessible to officers, employees, and
8 contractors of the Department of Education (as spe-
9 cifically authorized and designated by the Secretary
10 of Education); and

11 (3) the date that is 1 year after the report date
12 described in paragraph (2).