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(Original Signature of Member)

117TH CONGRESS  
1ST SESSION

# H. R.

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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.

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## IN THE HOUSE OF REPRESENTATIVES

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

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# 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 2021”.

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—

14 “(i) if the institution can reasonably  
15 demonstrate that student debt levels are or  
16 would be excessive for such program by  
17 using the most recently available data for  
18 the average starting salary in the region in  
19 which the institution is located for typical  
20 occupations pursued by graduates of such  
21 program from the Bureau of Labor Statis-  
22 tics, the applicable State agency, or the in-  
23 stitution;

24 “(ii) in a case in which the student is  
25 enrolled on a less than full-time basis or  
26 the student is enrolled for less than the pe-

1                   riod of enrollment to which the annual loan  
2                   limit applies under this part, based on the  
3                   student's enrollment status;

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

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

12                 “(B) INCREASES FOR INDIVIDUAL STU-  
13                 DENTS.—Upon the request of a student whose  
14                 loan amount for an academic year has been  
15                 prorated or limited under subparagraph (A), an  
16                 eligible institution (at the discretion of the fi-  
17                 nancial aid administrator at the institution)  
18                 may increase such loan amount to an amount  
19                 not exceeding the annual loan amount applica-  
20                 ble to such student under this part for such  
21                 academic year if such student demonstrates  
22                 special circumstances or exceptional need.

23                 “(C) RULE OF CONSTRUCTION.—Nothing  
24                 in this paragraph shall be construed to author-  
25                 ize a proration or limiting of loan amounts by

1 an institution of higher education because of a  
2 student's race, color, religion, sex, marital sta-  
3 tus, age, disability, or national origin.”.