

TITLE 20 - EDUCATION

CHAPTER 28 - HIGHER EDUCATION RESOURCES AND STUDENT ASSISTANCE

SUBCHAPTER I - GENERAL PROVISIONS

Part C - Cost of Higher Education

§ 1015a. Transparency in college tuition for consumers

(a) Definitions

In this section:

(1) College Navigator website

The term “College Navigator website” means the College Navigator website operated by the Department and includes any successor website.

(2) Cost of attendance

The term “cost of attendance” means the average annual cost of tuition and fees, room and board, books, supplies, and transportation for an institution of higher education for a first-time, full-time undergraduate student enrolled in the institution.

(3) Net price

The term “net price” means the average yearly price actually charged to first-time, full-time undergraduate students receiving student aid at an institution of higher education after deducting such aid, which shall be determined by calculating the difference between—

(A) the institution’s cost of attendance for the year for which the determination is made; and

(B) the quotient of—

(i) the total amount of need-based grant aid and merit-based grant aid, from Federal, State, and institutional sources, provided to such students enrolled in the institution for such year; and

(ii) the total number of such students receiving such need-based grant aid or merit-based grant aid for such year.

(4) Tuition and fees

The term “tuition and fees” means the average annual cost of tuition and fees for an institution of higher education for first-time, full-time undergraduate students enrolled in the institution.

(b) Calculations for public institutions

In making the calculations regarding cost of attendance, net price, and tuition and fees under this section with respect to a public institution of higher education, the Secretary shall calculate the cost of attendance, net price, and tuition and fees at such institution in the manner described in subsection (a), except that—

(1) the cost of attendance, net price, and tuition and fees shall be calculated for first-time, full-time undergraduate students enrolled in the institution who are residents of the State in which such institution is located; and

(2) in determining the net price, the average need-based grant aid and merit-based grant aid described in subsection (a)(3)(B) shall be calculated based on the average total amount of such aid received by first-time, full-time undergraduate students who are residents of the State in which such institution is located, divided by the total number of such resident students receiving such need-based grant aid or merit-based grant aid at such institution.

(c) College affordability and transparency lists

(1) Availability of lists

Beginning July 1, 2011, the Secretary shall make publicly available on the College Navigator website, in a manner that is sortable and searchable by State, the following:

- (A) A list of the five percent of institutions in each category described in subsection (d) that have the highest tuition and fees for the most recent academic year for which data are available.
- (B) A list of the five percent of institutions in each such category that have the highest net price for the most recent academic year for which data are available.
- (C) A list of the five percent of institutions in each such category that have the largest increase, expressed as a percentage change, in tuition and fees over the most recent three academic years for which data are available, using the first academic year of the three-year period as the base year to compute such percentage change.
- (D) A list of the five percent of institutions in each such category that have the largest increase, expressed as a percentage change, in net price over the most recent three academic years for which data are available, using the first academic year of the three-year period as the base year to compute such percentage change.
- (E) A list of the ten percent of institutions in each such category that have the lowest tuition and fees for the most recent academic year for which data are available.
- (F) A list of the ten percent of institutions in each such category that have the lowest net price for the most recent academic year for which data are available.

(2) Annual updates

The Secretary shall annually update the lists described in paragraph (1) on the College Navigator website.

(d) Categories of institutions

The lists described in subsection (c)(1) shall be compiled according to the following categories of institutions that participate in programs under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42:

- (1) Four-year public institutions of higher education.
- (2) Four-year private, nonprofit institutions of higher education.
- (3) Four-year private, for-profit institutions of higher education.
- (4) Two-year public institutions of higher education.
- (5) Two-year private, nonprofit institutions of higher education.
- (6) Two-year private, for-profit institutions of higher education.
- (7) Less than two-year public institutions of higher education.
- (8) Less than two-year private, nonprofit institutions of higher education.
- (9) Less than two-year private, for-profit institutions of higher education.

(e) Reports by institutions

(1) Report to Secretary

If an institution of higher education is included on a list described in subparagraph (C) or (D) of subsection (c)(1), the institution shall submit to the Secretary a report containing the following information:

- (A) A description of the major areas in the institution's budget with the greatest cost increases.
- (B) An explanation of the cost increases described in subparagraph (A).
- (C) A description of the steps the institution will take toward the goal of reducing costs in the areas described in subparagraph (A).
- (D) In the case of an institution that is included on the same list under subparagraph (C) or (D) of subsection (c)(1) for two or more consecutive years, a description of the progress made on the steps described in subparagraph (C) of this paragraph that were included in the institution's report for the previous year.
- (E) If the determination of any cost increase described in subparagraph (A) is not within the exclusive control of the institution—

- (i) an explanation of the extent to which the institution participates in determining such cost increase;
- (ii) the identification of the agency or instrumentality of State government responsible for determining such cost increase; and
- (iii) any other information the institution considers relevant to the report.

(2) Information to the public

The Secretary shall—

- (A) issue an annual report that summarizes all of the reports by institutions required under paragraph (1) to the authorizing committees; and
- (B) publish such report on the College Navigator website.

(f) Exemptions

(1) In general

An institution shall not be placed on a list described in subparagraph (C) or (D) of subsection (c)(1), and shall not be subject to the reporting required under subsection (e), if the dollar amount of the institution's increase in tuition and fees, or net price, as applicable, is less than \$600 for the three-year period described in such subparagraph.

(2) Update

Beginning in 2014, and every three years thereafter, the Secretary shall update the dollar amount described in paragraph (1) based on annual increases in inflation, using the Consumer Price Index for each of the three most recent preceding years.

(g) State higher education spending chart

The Secretary shall annually report on the College Navigator website, in charts for each State, comparisons of—

- (1) the percentage change in spending by such State per full-time equivalent student at all public institutions of higher education in such State, for each of the five most recent preceding academic years;
- (2) the percentage change in tuition and fees for such students for all public institutions of higher education in such State for each of the five most recent preceding academic years; and
- (3) the percentage change in the total amount of need-based aid and merit-based aid provided by such State to full-time students enrolled in the public institutions of higher education in the State for each of the five most recent preceding academic years.

(h) Net price calculator

(1) Development of net price calculator

Not later than one year after August 14, 2008, the Secretary shall, in consultation with institutions of higher education and other appropriate experts, develop a net price calculator to help current and prospective students, families, and other consumers estimate the individual net price of an institution of higher education for a student. The calculator shall be developed in a manner that enables current and prospective students, families, and consumers to determine an estimate of a current or prospective student's individual net price at a particular institution.

(2) Calculation of individual net price

For purposes of this subsection, an individual net price of an institution of higher education shall be calculated in the same manner as the net price of such institution is calculated under subsection (a)(3), except that the cost of attendance and the amount of need-based and merit-based aid available shall be calculated for the individual student as much as practicable.

(3) Use of net price calculator by institutions

Not later than two years after the date on which the Secretary makes the calculator developed under paragraph (1) available to institutions of higher education, each institution of higher education that receives Federal funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 shall make publicly available on the institution's website a net price calculator to help current and prospective students, families, and other consumers estimate a student's individual net price at such institution of higher education. Such calculator may be a net price calculator developed—

- (A) by the Department pursuant to paragraph (1); or
- (B) by the institution of higher education, if the institution's calculator includes, at a minimum, the same data elements included in the calculator developed under paragraph (1).

(4) Disclaimer

Estimates of an individual net price determined using a net price calculator required under paragraph (3) shall be accompanied by a clear and conspicuous notice—

- (A) stating that the estimate—
 - (i) does not represent a final determination, or actual award, of financial assistance;
 - (ii) shall not be binding on the Secretary, the institution of higher education, or the State; and
 - (iii) may change;
- (B) stating that the student must complete the Free Application for Federal Student Aid described in section 1090 of this title in order to be eligible for, and receive, an actual financial aid award that includes Federal grant, loan, or work-study assistance under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42; and
- (C) including a link to the website of the Department that allows students to access the Free Application for Federal Student Aid described in section 1090 of this title.

(i) Consumer information

(1) Availability of title IV institution information

Not later than one year after August 14, 2008, the Secretary shall make publicly available on the College Navigator website, in simple and understandable terms, the following information about each institution of higher education that participates in programs under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, for the most recent academic year for which satisfactory data are available:

- (A) A statement of the institution's mission.
- (B) The total number of undergraduate students who applied to, were admitted by, and enrolled in the institution.
- (C) For institutions that require SAT or ACT scores to be submitted, the reading, writing, mathematics, and combined scores on the SAT or ACT, as applicable, for the middle 50 percent range of the institution's freshman class.
- (D) The number of first-time, full-time, and part-time students enrolled at the institution, at the undergraduate and (if applicable) graduate levels.
- (E) The number of degree- or certificate-seeking undergraduate students enrolled at the institution who have transferred from another institution.
- (F) The percentages of male and female undergraduate students enrolled at the institution.
- (G) Of the first-time, full-time, degree- or certificate-seeking undergraduate students enrolled at the institution—
 - (i) the percentage of such students who are from the State in which the institution is located;
 - (ii) the percentage of such students who are from other States; and

- (i) Student activities offered by the institution.
- (ii) Services offered by the institution for individuals with disabilities.
- (iii) Career and placement services offered by the institution to students during and after enrollment.
- (iv) Policies of the institution related to transfer of credit from other institutions.
- (W) A link to the appropriate section of the Bureau of Labor Statistics website that provides information on regional data on starting salaries in all major occupations.
- (X) Information required to be submitted under paragraph (4) and a link to the institution pricing summary page described in paragraph (5).
- (Y) In the case of an institution that was required to submit a report under subsection (e)(1), a link to such report.
- (Z) The availability of alternative tuition plans, which may include guaranteed tuition plans.

(2) Annual updates

The Secretary shall annually update the information described in paragraph (1) on the College Navigator website.

(3) Consultation

The Secretary shall regularly consult with current and prospective college students, family members of such students, institutions of higher education, and other experts to improve the usefulness and relevance of the College Navigator website, with respect to the presentation of the consumer information collected in paragraph (1).

(4) Data collection

The Commissioner for Education Statistics shall continue to update and improve the Integrated Postsecondary Education Data System (referred to in this section as “IPEDS”), including the reporting of information by institutions and the timeliness of the data collected.

(5) Institution pricing summary page

(A) Availability of list of participating institutions

The Secretary shall make publicly available on the College Navigator website in a sortable and searchable format a list of all institutions of higher education that participate in programs under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, which list shall, for each institution, include the following:

- (i) The tuition and fees for each of the three most recent academic years for which data are available.
- (ii) The net price for each of the three most recent available academic years for which data are available.
- (iii)
 - (I) During the period beginning July 1, 2010, and ending June 30, 2013, the net price for students receiving Federal student financial aid under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, disaggregated by the income categories described in paragraph (6), for the most recent academic year for which data are available.
 - (II) Beginning July 1, 2013, the net price for students receiving Federal student financial aid under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, disaggregated by the income categories described in paragraph (6), for each of the three most recent academic years for which data are available.
- (iv) The average annual percentage change and average annual dollar change in such institution’s tuition and fees for each of the three most recent academic years for which data are available.

(v) The average annual percentage change and average annual dollar change in such institution's net price for each of the three most recent preceding academic years for which data are available.

(vi) A link to the webpage on the College Navigator website that provides the information described in paragraph (1) for the institution.

(B) Annual updates

The Secretary shall annually update the lists described in subparagraph (A) on the College Navigator website.

(6) Income categories

(A) In general

For purposes of reporting the information required under this subsection, the following income categories shall apply for students who receive Federal student financial aid under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42:

- (i) \$0–30,000.
- (ii) \$30,001–48,000.
- (iii) \$48,001–75,000.
- (iv) \$75,001–110,000.
- (v) \$110,001 and more.

(B) Adjustment

The Secretary may adjust the income categories listed in subparagraph (A) using the Consumer Price Index if the Secretary determines such adjustment is necessary.

(j) Multi-year tuition calculator

(1) Development of multi-year tuition calculator

Not later than one year after August 14, 2008, the Secretary shall, in consultation with institutions of higher education, financial planners, and other appropriate experts, develop a multi-year tuition calculator to help current and prospective students, families of such students, and other consumers estimate the amount of tuition an individual may pay to attend an institution of higher education in future years.

(2) Calculation of multi-year tuition

The multi-year tuition calculator described in paragraph (1) shall—

- (A)** allow an individual to select an institution of higher education for which the calculation shall be made;
- (B)** calculate an estimate of tuition and fees for each year of the normal duration of the program of study at such institution by—
 - (i)** using the tuition and fees for such institution, as reported under subsection (i)(5)(A)(i), for the most recent academic year for which such data are reported; and
 - (ii)** determining an estimated annual percentage change for each year for which the calculation is made, based on the annual percentage change in such institution's tuition and fees, as reported under subsection (i)(5)(A)(iv), for the most recent three-year period for which such data are reported;
- (C)** calculate an estimate of the total amount of tuition and fees to complete a program of study at such institution, based on the normal duration of such program, using the estimate calculated under subparagraph (B) for each year of the program of study;
- (D)** provide the individual with the option to replace the estimated annual percentage change described in subparagraph (B)(ii) with an alternative annual percentage change specified by

the individual, and calculate an estimate of tuition and fees for each year and an estimate of the total amount of tuition and fees using the alternative percentage change;

(E) in the case of an institution that offers a multi-year tuition guarantee program, allow the individual to have the estimates of tuition and fees described in subparagraphs (B) and (C) calculated based on the provisions of such guarantee program for the tuition and fees charged to a student, or cohort of students, enrolled for the duration of the program of study; and

(F) include any other features or information determined to be appropriate by the Secretary.

(3) Availability and comparison

The multi-year tuition calculator described in paragraph (1) shall be available on the College Navigator website and shall allow current and prospective students, families of such students, and consumers to compare information and estimates under this subsection for multiple institutions of higher education.

(4) Disclaimer

Each calculation of estimated tuition and fees made using the multi-year tuition calculator described in paragraph (1) shall be accompanied by a clear and conspicuous notice—

(A) stating that the calculation—

(i) is only an estimate and not a guarantee of the actual amount the student may be charged;

(ii) is not binding on the Secretary, the institution of higher education, or the State; and

(iii) may change, subject to the availability of financial assistance, State appropriations, and other factors;

(B) stating that the student must complete the Free Application for Federal Student Aid described in section 1090 of this title in order to be eligible for, and receive, an actual financial aid award that includes Federal grant, loan, or work-study assistance under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42; and

(C) including a link to the website of the Department that allows students to access the Free Application for Federal Student Aid described in section 1090 of this title.

(k) Student aid recipient survey

(1) Survey required

The Secretary, acting through the Commissioner for Education Statistics, shall conduct, on a State-by-State basis, a survey of recipients of Federal student financial aid under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42—

(A) to identify the population of students receiving such Federal student financial aid;

(B) to describe the income distribution and other socioeconomic characteristics of recipients of such Federal student financial aid;

(C) to describe the combinations of aid from Federal, State, and private sources received by such recipients from all income categories;

(D) to describe the—

(i) debt burden of such loan recipients, and their capacity to repay their education debts; and

(ii) the impact of such debt burden on the recipients' course of study and post-graduation plans;

(E) to describe the impact of the cost of attendance of postsecondary education in the determination by students of what institution of higher education to attend; and

(F) to describe how the costs of textbooks and other instructional materials affect the costs of postsecondary education for students.

(2) Frequency

NB: This unofficial compilation of the U.S. Code is current as of Jan. 8, 2008 (see <http://www.law.cornell.edu/uscode/uscprint.html>).

The survey shall be conducted on a regular cycle and not less often than once every four years.

(3) Survey design

The survey shall be representative of students from all types of institutions, including full-time and part-time students, undergraduate, graduate, and professional students, and current and former students.

(4) Dissemination

The Commissioner for Education Statistics shall disseminate to the public, in printed and electronic form, the information resulting from the survey.

(I) Regulations

The Secretary is authorized to issue such regulations as may be necessary to carry out this section.

(Pub. L. 89–329, title I, § 132, as added Pub. L. 110–315, title I, § 111, Aug. 14, 2008, 122 Stat. 3098.)

References in Text

Title IV, referred to in the heading of subsec. (i)(1), means title IV of the Higher Education Act of 1965, Pub. L. 89–329, which is classified generally to subchapter IV of this chapter and part C (§ 2751 et seq.) of subchapter I of chapter 34 of Title 42, The Public Health and Welfare. For complete classification of title IV to the Code, see Tables.

Prior Provisions

A prior section 1015a, Pub. L. 89–329, title I, § 132, as added Pub. L. 102–325, title I, § 101, July 23, 1992, 106 Stat. 465, related to grant applications, prior to the general amendment of this subchapter by Pub. L. 105–244.

Another prior section 1015a, Pub. L. 89–329, title I, § 132, as added Pub. L. 94–482, title I, § 101(g)(3), Oct. 12, 1976, 90 Stat. 2087, set out scope of lifelong learning program, prior to the general amendment of this subchapter by Pub. L. 96–374.