

117TH CONGRESS  
1ST SESSION

# H. R. 4600

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

JULY 21, 2021

Mr. GROTHMAN introduced the following bill; which was referred to the Committee on Education and Labor

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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”.

6 **SEC. 2. INSTITUTIONAL DETERMINED LIMITS.**

7 Section 455(a) of the Higher Education Act of 1965  
8 (20 U.S.C. 1087e(a)) is amended by adding at the end  
9 the following new paragraph:

1 “(4) INSTITUTIONAL DETERMINED LIMITS.—

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

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

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

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

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

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

20                  “(C) RULE OF CONSTRUCTION.—Nothing  
21                  in this paragraph shall be construed to author-  
22                  ize a proration or limiting of loan amounts by  
23                  an institution of higher education because of a

- 1 student's race, color, religion, sex, marital sta-
- 2 tus, age, disability, or national origin.”.

