

117TH CONGRESS
2D SESSION

H. R. 7895

To amend the Higher Education Act of 1965 to terminate the authority to make Federal direct PLUS loans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 27, 2022

Mr. RICE of South Carolina introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To amend the Higher Education Act of 1965 to terminate the authority to make Federal direct PLUS loans, 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.**

4 This Act may be cited as the “Combating Excessive
5 Student Debt Act of 2022”.

6 **SEC. 2. TERMINATION OF AUTHORITY TO MAKE FEDERAL**
7 **DIRECT PLUS LOANS.**

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

1 “(4) TERMINATION OF AUTHORITY TO MAKE
2 FEDERAL DIRECT PLUS LOANS.—

3 “(A) IN GENERAL.—Subject to subpara-
4 graph (B) and notwithstanding any provision of
5 this part or part B, no new Federal Direct
6 PLUS Loans may be made under this part on
7 or after July 1, 2023.

8 “(B) LOANS MADE BEFORE JULY 1,
9 2023.—A borrower who has not received a Fed-
10 eral Direct PLUS Loan before the date of en-
11 actment of the Combating Excessive Student
12 Debt Act of 2022 and for whom a Federal Di-
13 rect PLUS Loan is first disbursed for any pe-
14 riod of instruction beginning on or after such
15 date, but not later than July 1, 2023, may be
16 eligible to receive Federal Direct PLUS Loans
17 until the completion of the course of study for
18 which such loan was first disbursed or June 30,
19 2027, whichever occurs first.”.

20 **SEC. 3. LIMITATION ON INSTITUTIONAL REVENUE FROM**
21 **FEDERAL DIRECT PLUS LOANS.**

22 Section 487(a) of the Higher Education Act of 1965
23 is amended by adding at the following:

1 “(30) The institution will not derive institu-
2 tional revenue from Federal Direct PLUS Loans in
3 an amount that exceeds—

4 “(A) for academic year 2023–2024, the av-
5 erage such institutional revenue that the insti-
6 tution received for the 5 most recent academic
7 years preceding academic year 2023–2024;

8 “(B) for academic year 2024–2025, 75
9 percent of the average institutional revenue de-
10 scribed in subparagraph (A);

11 “(C) for academic year 2025–2026, 50
12 percent of the average institutional revenue de-
13 scribed in such subparagraph; and

14 “(D) for academic year 2026–2027, 25
15 percent of the average institutional revenue de-
16 scribed in such subparagraph.”.

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