

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111-39 effective as if enacted on the date of enactment of Pub. L. 110-315 (Aug. 14, 2008), see section 3 of Pub. L. 111-39, set out as a note under section 1001 of this title.

PART F—NEED ANALYSIS

Editorial Notes

CODIFICATION

Part F of title IV of the Higher Education Act of 1965, Pub. L. 89-329, which comprises this part, was formerly classified to part E of this subchapter. See Codification note preceding section 1087a of this title.

PRIOR PROVISIONS

A prior part F, consisting of part G of title IV of Pub. L. 89-329, was redesignated part G of this subchapter.

§ 1087kk. Amount of need

Except as otherwise provided therein, the amount of need of any student for financial assistance under this subchapter (except subparts¹ 1 or 2 of part A of this subchapter) is equal to—

- (1) the cost of attendance of such student, minus
- (2) the expected family contribution for such student, minus
- (3) estimated financial assistance not received under this subchapter (as defined in section 1087vv(j) of this title).

(Pub. L. 89-329, title IV, § 471, as added Pub. L. 99-498, title IV, § 406(a), Oct. 17, 1986, 100 Stat. 1454; amended Pub. L. 102-325, title IV, § 471(a), July 23, 1992, 106 Stat. 585; Pub. L. 105-244, title IV, § 480(a), Oct. 7, 1998, 112 Stat. 1732; Pub. L. 116-260, div. FF, title VII, § 702(a)(1), Dec. 27, 2020, 134 Stat. 3138; Pub. L. 117-103, div. R, § 102(b)(2), Mar. 15, 2022, 136 Stat. 819.)

AMENDMENT OF SECTION

Pub. L. 116-260, div. FF, title VII, §§ 701(b), 702(a)(1), Dec. 27, 2020, 134 Stat. 3137, 3138; Pub. L. 117-103, div. R, § 102(a), (b)(2), Mar. 15, 2022, 136 Stat. 819, provided that, effective July 1, 2024, except as otherwise expressly provided, and applicable with respect to award year 2024-2025 and each subsequent award year, as determined under this chapter, this section is amended to read as follows:

§ 1087kk. Amount of need

Except as otherwise provided therein, for award year 2024-2025 and each subsequent award year, the amount of need of any student for financial assistance under this subchapter (except subpart 1 or 2 of part A) is equal to—

- (1) the cost of attendance of such student, minus*
- (2) the student aid index (as defined in section 1087mm of this title) for such student, minus*
- (3) other financial assistance not received under this subchapter (as defined in section 1087vv(i) of this title).*

See 2020 and 2022 Amendment notes below.

¹ So in original. Probably should be “subpart”.

Editorial Notes

AMENDMENTS

2022—Pub. L. 117-103 substituted “award year 2024-2025” for “award year 2023-2024” in introductory provisions.

2020—Pub. L. 116-260 amended section generally. Prior to amendment, text read as follows: “Except as otherwise provided therein, the amount of need of any student for financial assistance under this subchapter (except subparts 1 or 2 of part A of this subchapter) is equal to—

- “(1) the cost of attendance of such student, minus
- “(2) the expected family contribution for such student, minus

“(3) estimated financial assistance not received under this subchapter (as defined in section 1087vv(j) of this title).”

1998—Pub. L. 105-244 substituted “or 2” for “or 4” in introductory provisions.

1992—Pub. L. 102-325 amended section generally. Prior to amendment, section read as follows: “Except as otherwise provided therein, the amount of need of any student for financial assistance under this subchapter (except subparts 1 and 3 of part A of this subchapter) is equal to the cost of attendance of such student minus the expected family contribution for such student.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2020 AMENDMENT

Amendment by Pub. L. 116-260 effective July 1, 2024, except as otherwise expressly provided, and applicable with respect to award year 2024-2025 and each subsequent award year, as determined under this chapter, see section 701(b) of Pub. L. 116-260, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105-244, title IV, § 480A, Oct. 7, 1998, 112 Stat. 1732, provided that:

“(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this part [part F (§§ 471-480A) of title IV of Pub. L. 105-244, amending this section and sections 1087ll to 1087tt and 1087vv of this title] are effective on the date of enactment of this Act [Oct. 7, 1998].

“(b) PROVISIONS EFFECTIVE FOR ACADEMIC YEAR 2000-2001, AND THEREAFTER.—The amendments made by sections 472, 473, 474, and 475 [amending sections 1087nn to 1087qq of this title] shall apply with respect to determinations of need under part F of title IV of the Higher Education Act of 1965 [this part] for academic years beginning on or after July 1, 2000.”

EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102-325, title IV, § 471(b), July 23, 1992, 106 Stat. 609, provided that: “The changes made in part F of title IV of the Act [this part] by the amendment made by this section [amending sections 1087kk to 1087vv of this title] shall apply with respect to determinations of need under such part F for award years beginning on or after July 1, 1993.”

EFFECTIVE DATE

Pub. L. 99-498, title IV, § 406(b)(1)-(3), Oct. 17, 1986, 100 Stat. 1475, as amended by Pub. L. 100-50, § 22(e)(1), (3), June 3, 1987, 101 Stat. 361, provided that:

“(1) Except as provided in paragraphs (2) through (4)—

“(A) part F of title IV of the Act [this part] shall apply with respect to determinations of need under such title for academic years beginning with academic year 1988-1989 and succeeding academic years; and

“(B) for any preceding academic year, determinations of need shall be made in accordance with regulations prescribed by the Secretary of Education in

accordance with the Student Financial Assistance Technical Amendments Act of 1982 [Pub. L. 97-301, see Short Title of 1982 Amendment note set out under section 1001 of this title].

“(2) With respect to an application filed after the date of enactment of this Act [Oct. 17, 1986] for a loan under part B of such title [part B of this subchapter] for any academic year preceding academic year 1988-1989, any determination of expected family contribution shall be made using the system of financial need analysis approved by the Secretary of Education for use under subpart 2 of part A and parts C and E of such title [subpart 2 of part A of this subchapter and parts C and E of this subchapter].

“(3) For purposes of sections 413D(d)(2)(B) [now 413D(c)(2)(B)], 442(d)(2)(B) and 462(d)(2)(B) [20 U.S.C. 1070b-3(c)(2)(B), 1087-52(d)(2)(B), 1087bb(d)(2)(B)] for any academic year preceding academic year 1988-1989, the Secretary shall, in lieu of average expected family contribution, use the procedures for sampling expected family contribution within income categories that was employed for academic year 1986-1987, adjusted to reflect changes in data.

“(4) Section 479B of the Act [20 U.S.C. 1087uu] (as so added) shall apply with respect to financial assistance provided for any academic year beginning after such date of enactment [Oct. 17, 1986].”

[References to subpart 2 of part A of title IV of Pub. L. 89-329 deemed, after July 23, 1992, to refer to subpart 3 of such part, see section 402(b) of Pub. L. 102-325, set out as a note under section 1070a-11 of this title.]

SPECIAL STUDY OF SIMPLIFICATION OF NEED ANALYSIS AND APPLICATION FOR TITLE IV AID

Pub. L. 108-199, div. E, title III, §305, Jan. 23, 2004, 118 Stat. 263, provided that:

“(a) STUDY REQUIRED.—The Advisory Committee on Student Financial Assistance established by section 491 of the Higher Education Act of 1965 (20 U.S.C. 1098), hereafter in this section referred to as ‘the Advisory Committee’, shall conduct a thorough study of the feasibility of simplifying the need analysis methodology for all Federal student financial assistance programs and the process of applying for such assistance.

“(b) REQUIRED SUBJECTS OF STUDY.—In performing the study, the Advisory Committee shall, at a minimum, examine the following:

“(1) whether the methodology used to calculate the expected family contribution can be simplified without significant adverse effects on program intent, costs, integrity, delivery, and distribution of awards;

“(2) whether the number of data elements, and, accordingly, the number and complexity of questions asked of students and families, used to calculate the expected family contribution can be reduced without such adverse effects;

“(3) whether the procedures for determining such data elements, including determining and updating offsets and allowances, is the most efficient, effective, and fair means to determine a family’s available income and assets;

“(4) whether the methodology used to calculate the expected family contribution, specifically the consideration of income earned by a dependent student and its effect on Pell grant eligibility, is an effective and fair means to determine a family’s available income and a student’s need;

“(5) whether the nature and timing of the application required in section 483 (a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1090(a)(1)), eligibility and award determination, financial aid processing, and funds delivery can be streamlined further for students and families, institutions, and States;

“(6) whether it is feasible to allow students to complete only those limited sections of the financial aid application that apply to their specific circumstances and the State in which they reside;

“(7) whether a widely disseminated printed form, or the use of an Internet or other electronic means, can be developed to notify individuals of an estimation of

their approximate eligibility for grant, work-study, and loan assistance upon completion and verification of the simplified application form;

“(8) whether information provided on other Federal forms (such as the form applying for supplemental security income under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.], the form for applying for food stamps under the Food Stamp Act of 1977 [now the Food and Nutrition Act of 2008, 7 U.S.C. 2011 et seq.], and the schedule for applying for the earned income tax credit under section 32 of the Internal Revenue Code of 1986 [26 U.S.C. 32]) that are designed to determine eligibility for various Federal need-based assistance programs could be used to qualify potential students for the simplified needs test; and

“(9) whether any proposed changes to data elements collected, in addition to those used to calculate expected family contribution, or any proposed changes to the form’s design or the process of applying for aid, may have adverse effects on program costs, integrity, delivery, or distribution of awards, as well as, application development or application processing.

“(c) ADDITIONAL CONSIDERATIONS.—In conducting the feasibility study, the Advisory Committee’s primary objective under this subsection shall be simplifying the financial aid application forms and process and obtaining a substantial reduction in the number of required data items. In carrying out that objective, the Advisory Committee shall pay special attention to the needs of low-income and moderate-income students and families.

“(d) CONSULTATION.—

“(1) IN GENERAL.—The Advisory Committee shall consult with a broad range of interested parties in higher education, including parents and students, high school guidance counselors, financial aid and other campus administrators, appropriate State administrators, administrators of intervention and outreach programs, and appropriate officials from the Department of Education.

“(2) FORMS DESIGN EXPERT.—With the goal of making significant changes to the form to make the questions more easily understandable, the Advisory Committee shall consult a forms design expert to ensure that its recommendations for revision of the application form would assist in making the form easily readable and understood by parents, students, and other members of the public.

“(3) CONGRESSIONAL CONSULTATION.—The Advisory Committee shall consult on a regular basis with the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate in carrying out the feasibility study required by this subsection.

“(4) DEPARTMENTAL CONSULTATION.—The Secretary of Education shall provide such assistance to the Advisory Committee as is requested and practicable in conducting the study required by this subsection.

“(e) REPORTS.—

“(1) INTERIM REPORT.—The Advisory Committee shall, not later than 6 months after the date of enactment of this Act [Jan. 23, 2004], prepare and submit an interim report containing any such legislative changes as the Advisory Committee recommends to reform and simplify the needs analysis under part F of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087kk et seq.) and forms and other requirements under such title to the Committee on Education and the Workforce of the House of Representatives, the Committee on Health, Education, Labor, and Pensions of the Senate, and the Secretary of Education.

“(2) FINAL REPORT.—The Advisory Committee shall, not later than 1 year after the date of enactment of this Act, prepare and submit a full final report on the study, including recommendations for regulatory and administrative changes required by this section, to the Committee on Education and the Workforce of

the House of Representatives, the Committee on Health, Education, Labor, and Pensions of the Senate, and the Secretary of Education.

“(f) IMPLEMENTATION.—The Secretary of Education shall consult with the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate and shall subsequently initiate a redesign of the form required by section 483 of the Higher Education Act of 1965 (20 U.S.C. 1090). Such redesign shall include the testing of alternative simplified versions of the free Federal form. The Secretary shall keep the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate fully and currently informed on the progress of these efforts.

“(g) POSTPONEMENT OF TAX TABLE UPDATE PENDING REPORT AND IMPLEMENTATION.—The Secretary of Education shall not implement or enforce for the award year 2004–2005 the annual update to the allowances for State and other taxes in the tables used in the Federal needs analysis methodology, as prescribed by the Secretary on May 30, 2003 (68 Fed. Reg. 32473).”

§ 1087II. Cost of attendance

For the purpose of this subchapter, the term “cost of attendance” means—

(1) tuition and fees normally assessed a student carrying the same academic workload as determined by the institution, and including costs for rental or purchase of any equipment, materials, or supplies required of all students in the same course of study;

(2) an allowance for books, supplies, transportation, and miscellaneous personal expenses, including a reasonable allowance for the documented rental or purchase of a personal computer, for a student attending the institution on at least a half-time basis, as determined by the institution;

(3) an allowance (as determined by the institution) for room and board costs incurred by the student which—

(A) shall be an allowance determined by the institution for a student without dependents residing at home with parents;

(B) for students without dependents residing in institutionally owned or operated housing, shall be a standard allowance determined by the institution based on the amount normally assessed most of its residents for room and board;

(C) for students who live in housing located on a military base or for which a basic allowance is provided under section 403(b) of title 37, shall be an allowance based on the expenses reasonably incurred by such students for board but not for room; and

(D) for all other students shall be an allowance based on the expenses reasonably incurred by such students for room and board;

(4) for less than half-time students (as determined by the institution), tuition and fees and an allowance for only—

(A) books, supplies, and transportation (as determined by the institution);

(B) dependent care expenses (determined in accordance with paragraph (8)); and

(C) room and board costs (determined in accordance with paragraph (3)), except that a student may receive an allowance for such costs under this subparagraph for not more

than 3 semesters or the equivalent, of which not more than 2 semesters or the equivalent may be consecutive;

(5) for a student engaged in a program of study by correspondence, only tuition and fees and, if required, books and supplies, travel, and room and board costs incurred specifically in fulfilling a required period of residential training;

(6) for incarcerated students only tuition and fees and, if required, books and supplies;

(7) for a student enrolled in an academic program in a program of study abroad approved for credit by the student’s home institution, reasonable costs associated with such study (as determined by the institution at which such student is enrolled);

(8) for a student with one or more dependents, an allowance based on the estimated actual expenses incurred for such dependent care, based on the number and age of such dependents, except that—

(A) such allowance shall not exceed the reasonable cost in the community in which such student resides for the kind of care provided; and

(B) the period for which dependent care is required includes, but is not limited to, class-time, study-time, field work, internships, and commuting time;

(9) for a student with a disability, an allowance (as determined by the institution) for those expenses related to the student’s disability, including special services, personal assistance, transportation, equipment, and supplies that are reasonably incurred and not provided for by other assisting agencies;

(10) for a student receiving all or part of the student’s instruction by means of telecommunications technology, no distinction shall be made with respect to the mode of instruction in determining costs;

(11) for a student engaged in a work experience under a cooperative education program, an allowance for reasonable costs associated with such employment (as determined by the institution);

(12) for a student who receives a loan under this or any other Federal law, or, at the option of the institution, a conventional student loan incurred by the student to cover a student’s cost of attendance at the institution, an allowance for the actual cost of any loan fee, origination fee, or insurance premium charged to such student or such parent on such loan, or the average cost of any such fee or premium charged by the Secretary, lender, or guaranty agency making or insuring such loan, as the case may be; and

(13) at the option of the institution, for a student in a program requiring professional licensure or certification, the one-time cost of obtaining the first professional credentials (as determined by the institution).

(Pub. L. 89–329, title IV, §472, as added Pub. L. 99–498, title IV, §406(a), Oct. 17, 1986, 100 Stat. 1454; amended Pub. L. 102–325, title IV, §471(a), July 23, 1992, 106 Stat. 585; Pub. L. 103–208, §2(g)(1), Dec. 20, 1993, 107 Stat. 2471; Pub. L. 105–244, title IV, §471, Oct. 7, 1998, 112 Stat. 1729;