

## The Higher Education Opportunity Act (H.R. 4137)

The Higher Education Opportunity Act (H.R. 4137) is bipartisan legislation designed to: empower consumers through sunshine in college costs, financial aid, and accreditation; update programs to better meet the needs of changing student populations; and strengthen financial aid opportunities. To help rein in the ever-rising cost of a college education, the bill will:

- Put quality information in the hands of consumers. H.R. 4137 requires the U.S. Department of Education to publish a new online resource that will give consumers useful, comparable data on all institutions of higher education. This summary page, published annually, will be sort-able and searchable and will provide information on tuition and fees, average price after grant aid is applied, and recent price increases.

- Focus on key cost indicators. In addition to a wealth of new online information, the bill calls for a series of targeted lists that shine a spotlight on key cost indicators. Beginning in 2011, the U.S. Department of Education will publish College Affordability and Transparency Lists, which will identify (by type of institution), 1) the top 5% most expensive institutions in the country, by sticker price and net price, 2) the top 10% least expensive institutions in the country, by sticker price and net price, and 3) the top 5% of institutions with the largest percentage cost increase, by sticker price and net price, over the previous three years. To ensure exceptionally low-cost schools are not unfairly penalized for tuition and fee increases, exemptions are given if increases do not exceed \$600 over three years.

- Hold colleges and universities accountable. The top 5% of institutions with the largest percentage cost increases over the previous three years will be called on to provide additional disclosure while taking concrete steps to hold down future costs. These institutions, identified on the College Affordability and Transparency Lists, will be required to submit a report to the U.S. Department of Education explaining the reasons for their pattern of extraordinarily high tuition increases. The bill provides exemptions for low-cost institutions.

- Call on states to do their part. Recognizing that state investment in higher education is critical to keeping college affordable, H.R. 4137 requires states to maintain their financial support for higher education by providing each year at least the average amount provided over the last five years for financial aid and operating expenses.

- Address the role of textbooks in the cost equation. Students and families struggle to afford more than just tuition and fees &ndash; the cost of textbooks adds a considerable burden as well. The bill calls for greater transparency and disclosure to help students and schools keep textbooks accessible and affordable.