Luke Messer 6th District, Indiana

Republican Policy Committee Chairman

Committee on Financial Services

Committee on Education and the Workforce

Deputy Whip



Congress of the United States House of Representatives Washington, DC 20515

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508 Cannon House Office Building Washington, DC 20515 (202) 225-3021

District Offices:

2 Public Square Shelbyville, IN 46176 (317) 421-0704 (855) 341-8196

107 West Charles Street Muncie, IN 47305 (765) 747-5566

50 North 5° Street, 2° Floor Richmond, IN 47374 (765) 962-2883

Secretary
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

The Honorable John B. King, Jr.

Dear Mr. Secretary:

On September 6, 2016, officials at ITT Technical Institute announced that it will immediately discontinue operations and begin the process of closing the institution. Soon thereafter, the Federal Student Aid Office of the U.S. Department of Education (ED) published information on its website to assist students affected by the closure and to help answer frequently asked questions.¹

The published information explicitly states that students who were using federal Pell Grant benefits to attend an institution of higher education at the time the institution closed are not eligible to have those benefits restored or "reset". Further stating that, "Irrespective of a transfer or a closed school loan discharge due to a school closure, the lifetime Pell eligibility does not 'reset.' Any change to this provision would need to be executed via legislation, as the Higher Education Act does not currently provide ED the authority to perform such a reset."

However, Section 437(c)(3) of the Higher Education Act (HEA) specifically directs the Department of Education to not count any Pell Grant benefits against a student's period of lifetime Pell Grant eligibility, if a student is unable to complete a course of study due to the closing of the institution. The statute states:

"The period of a student's attendance at an institution at which the student was unable to complete a course of study due to the closing of the institution shall not be considered for purposes of calculating the student's period of eligibility for additional assistance under this title."

According to U.S. House of Representatives legal counsel, Section 437(c)(3) requires the Department of Education to restore or reset Pell eligibility for these students and, consequently, there is no need for a legislative fix referenced in information posted on the Department of Education's website.

https://studentaid.ed.gov/sa/about/announcements/itt/faq

² Section 437(c)(3) of the Higher Education Act of 1965

Accordingly, I request the Department of Education reset or restore Pell Grant benefits to any students who were unable to complete a course of study at an institution because of the closure of the institution.

If the Department of Education is unwilling to restore Pell eligibility, please clarify why you believe Section 437(c)(3) provides inadequate legal authority to do so.

Sincerely,

Luke Messer

Member of Congress

Messer