

## HR 3451

Student Success Act of 2001

**Congress:** 107 (2001–2003, Ended)

**Chamber:** House

**Policy Area:** Education

**Introduced:** Dec 11, 2001

**Current Status:** Referred to the Subcommittee on 21st Century Competitiveness.

**Latest Action:** Referred to the Subcommittee on 21st Century Competitiveness. (Mar 11, 2002)

**Official Text:** <https://www.congress.gov/bill/107th-congress/house-bill/3451>

### Sponsor

**Name:** Rep. Graham, Lindsey [R-SC-3]

**Party:** Republican • **State:** SC • **Chamber:** Senate

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred to	Mar 11, 2002
Financial Services Committee	House	Referred to	Jan 7, 2002
Judiciary Committee	House	Referred to	Jan 14, 2002
Ways and Means Committee	House	Referred To	Dec 11, 2001

### Subjects & Policy Tags

**Policy Area:**

Education

### Related Bills

*No related bills are listed.*

Student Success Act of 2001 - Authorizes individuals to enter into human capital investment contracts (HCICs) to obtain funds for the payment of tuition and other related expenses of postsecondary education by agreeing to pay to the holder of the contract a specified percentage of the individual's future earned income. Makes any HCIC that complies with required terms and conditions under this Act a valid, binding, and enforceable contract notwithstanding any State law limiting or otherwise regulating assignments of future wages or other income.

Amends the Internal Revenue Code to provide that: (1) an HCIC shall not be treated as a debt instrument for specified purposes; and (2) amounts received by the student for entering into an HCIC shall be includible in such student's gross income for certain tax purposes. Sets forth conditions for allowable depreciation deductions with respect to HCICs. Allows a tax deduction, in determining adjusted gross income, for an individual's obligated payments under an HCIC.

Deems income derived from, or gain from the sale or other disposition of, an HCIC as qualifying income which would exempt a publicly traded partnership from treatment as a corporation.

Amends the Investment Company Act of 1940 to provide for pooling of HCICs into investment companies.

Amends Federal bankruptcy law to except from discharge in bankruptcy, under certain conditions, any payment owed by the debtor as a result of a payment made to or for the benefit of the debtor under an HCIC.

Amends the Higher Education Act of 1965 (HEA) to provide that no portion of any amounts received by a student for entering into an HCIC shall be included as income or assets in the computation of expected family contribution for any program funded in whole or in part under HEA.

## **Actions Timeline**

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- **Mar 11, 2002:** Referred to the Subcommittee on 21st Century Competitiveness.
- **Jan 14, 2002:** Referred to the Subcommittee on Commercial and Administrative Law.
- **Jan 7, 2002:** Referred to the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises, for a period to be subsequently determined by the Chairman.
- **Dec 11, 2001:** Introduced in House
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- **Dec 11, 2001:** Referred to the Committee on Education and the Workforce, and in addition to the Committees on Ways and Means, Financial Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
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