

S 2186

Investing in Student Success Act of 2015

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Education

Introduced: Oct 20, 2015

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Oct 20, 2015)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/2186>

Sponsor

Name: Sen. Rubio, Marco [R-FL]

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

Cosponsors (2 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Coats, Daniel [R-IN]	R · IN		Dec 10, 2015
Sen. Cotton, Tom [R-AR]	R · AR		Feb 3, 2016

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Oct 20, 2015

Subjects & Policy Tags

Policy Area:

Education

Related Bills

Bill	Relationship	Last Action
114 HR 3432	Related bill	Nov 16, 2015: Referred to the Subcommittee on Higher Education and Workforce Training.

Investing in Student Success Act of 2015

This bill authorizes an individual (i.e., a student) and another person (i.e., an investor) to enter an income-share agreement (ISA) in which the student agrees to pay a percentage of future income, for a specified period of time, in exchange for funds to pay for postsecondary education, workforce development, or other purposes.

An ISA that complies with specified terms and conditions and meets certain disclosure requirements is a valid, binding, and enforceable contract and is not subject to state laws that limit interest rates or regulate assignments of future income.

The bill amends the Internal Revenue Code to include an ISA as a qualified education loan (a qualified education loan is not dischargeable in bankruptcy), but it prohibits a tax deduction for interest paid on an ISA (interest paid on a qualified education loan is tax deductible).

Payments to a student under an ISA are not includable as: (1) gross income for tax purposes, or (2) income or assets for federal financial aid eligibility purposes under the Higher Education Act of 1965.

The bill amends the Investment Company Act of 1940 to exclude as an investment company any person whose business substantially consists of making ISAs.

Actions Timeline

- **Oct 20, 2015:** Introduced in Senate
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