

HR 5916

REDUCE Act of 2018

Congress: 115 (2017–2019, Ended)

Chamber: House

Policy Area: Education

Introduced: May 22, 2018

Current Status: Referred to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, 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. (May 22, 2018)

Latest Action: Referred to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, 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. (May 22, 2018)

Official Text: <https://www.congress.gov/bill/115th-congress/house-bill/5916>

Sponsor

Name: Rep. Reed, Tom [R-NY-23]

Party: Republican • **State:** NY • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred To	May 22, 2018
Ways and Means Committee	House	Referred To	May 22, 2018

Subjects & Policy Tags

Policy Area:

Education

Related Bills

No related bills are listed.

Reducing Excessive Debt and Unfair Costs of Education Act of 2018 or the REDUCE Act of 2018

This bill imposes additional taxes on, and limits tax deductions for contributions to, certain institutions of higher education that (1) do not use a specified portion of net investment income for grants to working-family students, or (2) accept certain gifts that are restricted for uses other than scholarships.

A "working-family student" is an individual who (1) is enrolled (part-time or full-time) as an undergraduate student, and (2) whose household income for the year does not exceed 600% of the poverty line for a family of the size involved.

The bill modifies requirements for the tax-exempt status of institutions of higher education by adding requirements regarding (1) plans for limiting tuition increases, and (2) serving students who are eligible for Pell Grants or have household incomes that do not exceed 600% of the poverty line.

The bill also requires institutions of higher education to make certain disclosures regarding net tuition, the management of endowments or investments, institutional aid, and funds provided by parents or grandparents of students.

The revenues from the taxes imposed by this bill must be used to increase funding for the Pell Grant program.

Actions Timeline

- **May 22, 2018:** Introduced in House
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