

S 1237

Family Farm and Small Business Exemption Act

Congress: 118 (2023–2025, Ended)

Chamber: Senate

Policy Area: Education

Introduced: Apr 20, 2023

Current Status: Read twice and referred to the Committee on Health, Education, Labor, and Pensions.

Latest Action: Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (Apr 20, 2023)

Official Text: <https://www.congress.gov/bill/118th-congress/senate-bill/1237>

Sponsor

Name: Sen. Ernst, Joni [R-IA]

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

Cosponsors (12 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Braun, Mike [R-IN]	R · IN		Apr 20, 2023
Sen. Grassley, Chuck [R-IA]	R · IA		Apr 20, 2023
Sen. Lummis, Cynthia M. [R-WY]	R · WY		Apr 20, 2023
Sen. Moran, Jerry [R-KS]	R · KS		Apr 20, 2023
Sen. Ricketts, Pete [R-NE]	R · NE		Apr 20, 2023
Sen. Tester, Jon [D-MT]	D · MT		Apr 20, 2023
Sen. Marshall, Roger [R-KS]	R · KS		Apr 25, 2023
Sen. Hoeven, John [R-ND]	R · ND		Apr 26, 2023
Sen. Hyde-Smith, Cindy [R-MS]	R · MS		Jan 24, 2024
Sen. Rounds, Mike [R-SD]	R · SD		Jan 30, 2024
Sen. Boozman, John [R-AR]	R · AR		Feb 29, 2024
Sen. Tillis, Thomas [R-NC]	R · NC		Nov 12, 2024

Committee Activity

Committee	Chamber	Activity	Date
Health, Education, Labor, and Pensions Committee	Senate	Referred To	Apr 20, 2023

Subjects & Policy Tags

Policy Area:

Education

Related Bills

Bill	Relationship	Last Action
118 HR 1250	Identical bill	Feb 28, 2023: Referred to the House Committee on Education and the Workforce.

Family Farm and Small Business Exemption Act

This bill restores an exemption for certain family farms and small businesses under the Free Application for Federal Student Aid (FAFSA). The bill applies to the net worth of (1) a family farm on which the family resides, or (2) a small business with not more than 100 full-time or full-time equivalent employees that is owned and controlled by the family.

Prior to recent changes made to FAFSA, the net worth of these family farms and small businesses were excluded as assets when calculating a student's financial need to determine federal student aid eligibility. Beginning with the 2024-2025 academic year, the net worth of these farms and businesses will be treated as an asset and therefore included in the calculation. This bill restores the exemption to exclude such net worth from the calculation.

Actions Timeline

- **Apr 20, 2023:** Introduced in Senate
- **Apr 20, 2023:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions.