

**SEC. 568 -- APPLICATION OF THE ANTITRUST LAWS  
TO AWARDING OF NEED-BASED EDUCATIONAL AID**

(as revised and reenacted October 1, 2001)

(a) TEMPORARY EXEMPTION. -- It shall not be unlawful under the antitrust laws for 2 or more institutions of higher education at which all students admitted are admitted on a need-blind basis, to agree or attempt to agree --

(1) to award to such students financial aid only on the basis of demonstrated financial need for such aid;

(2) to use common principles of analysis for determining the need of such students for financial aid if the agreement to use such principles does not restrict financial aid officers at such institutions in their exercising independent professional judgment with respect to individual applicants for such financial aid;

(3) to use a common aid application form for need-based financial aid for such students if the agreement to use such form does not restrict such institutions in their requesting from such students or in their using data in addition to the data requested on such form; or

(4) to exchange through an independent third party, before awarding need-based financial aid to any of such students who is commonly admitted to the institutions of higher education involved, data with respect to the student so admitted and the student's family relating to assets, income, expenses, the number of family members, and the number of the student's siblings in college, if each of such institutions is permitted to retrieve such data only once with respect to the student.

(b) LIMITATIONS. -- Subsection (a) shall not apply with respect to --

(1) any financial aid or assistance authorized by the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.); or

(2) any contract, combination, or conspiracy with respect to the amount or terms of any prospective financial aid award to a specific individual.

(c) DEFINITIONS. -- For the purposes of this section --

(1) the term "alien" has the meaning given such term in section 101(3) of the Immigration and Nationality Act (8 U.S.C. 1101 (3));

(2) the term "antitrust laws" has the meaning given such terms in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)), except that such term includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent such section applies to unfair methods of competition;

(3) the term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

(4) the term "lawfully admitted for permanent residence" has the meaning given such term in section 101(20) of the Immigration and Nationality Act (8 U.S.C. 1101(20));

(5) the term "national of the United States" has the meaning given such term in section 101(22) of the Immigration and Nationality Act (8 U.S.C. 1101(22));

(6) the term "on a need-blind basis" means without regard to the financial circumstances of the student involved or the student's family.

(7) the term "student" means, with respect to an institution of higher education, a national of the United States or an alien admitted for permanent residence who is admitted to attend an undergraduate program at such institution on a full-time basis.

(d) EXPIRATION. -- Subsection (a) shall expire on September 30, 2008.

**NEED-BASED EDUCATIONAL AID ACT OF 2001**

(Special Study amendment October 1, 2001)

a) STUDY-

(1) IN GENERAL- The Comptroller General shall conduct a study of the effect of the antitrust exemption on institutional student aid under section 568 of the Improving America's Schools Act of 1994 (15 U.S.C. 1 note).

(2) CONSULTATION- The Comptroller General shall have final authority to determine the content of the study under paragraph (1), but in determining the content of the study, the Comptroller General shall consult with--

(A) the institutions of higher education participating under the antitrust exemption under section 568 of the Improving America's Schools Act of 1994 (15 U.S.C. 1 note) (referred to in this Act as the 'participating institutions');

(B) the Antitrust Division of the Department of Justice; and

(C) other persons that the Comptroller General determines are appropriate.

(3) MATTERS STUDIED-

(A) IN GENERAL.—The study under paragraph (1) shall—

(i) examine the needs analysis methodologies used by participating institutions;

(ii) identify trends in undergraduate costs of attendance and institutional undergraduate grant aid among participating institutions, including—

(I) the percentage of first-year students receiving institutional grant aid;

(II) the mean and median grant eligibility and institutional grant aid to first-year students; and

(III) the mean and median parental and student contributions to undergraduate costs of attendance for first year students receiving institutional grant aid;

(iii) to the extent useful in determining the effect of the antitrust exemption under section 568 of the Improving America's Schools Act of 1994 (15 U.S.C. 1 note), examine—

(I) comparison data, identified in clauses (i) and (ii), from institutions of higher education that do not participate under the antitrust exemption under section 568 of the Improving America's Schools Act of 1994 (15 U.S.C. 1 note); and

(II) other baseline trend data from national benchmarks; and

(iv) examine any other issues that the Comptroller General determines are appropriate, including other types of aid affected by section 568 of the Improving America's Schools Act of 1994 (15 U.S.C. 1 note).

(B) ASSESSMENT.—

(i) IN GENERAL.—The study under paragraph (1) shall assess what effect the antitrust exemption on institutional student aid has had on institutional undergraduate grant aid and parental contribution to undergraduate costs of attendance.

(ii) CHANGES OVER TIME.—The assessment under clause (i) shall consider any changes in institutional undergraduate grant aid and parental

contribution to undergraduate costs of attendance over time for institutions of higher education, including consideration of—

- (I) the time period prior to adoption of the consensus methodologies at participating institutions; and
- (II) the data examined pursuant to subparagraph (A)(iii).

(b) REPORT.—

(1) IN GENERAL.—Not later than September 30, 2006, the Comptroller General shall submit a report to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives that contains the findings and conclusions of the Comptroller General regarding the matters studied under subsection (a).

(2) IDENTIFYING INDIVIDUAL INSTITUTIONS.— The Comptroller General shall not identify an individual institution of higher education in information submitted in the report under paragraph (1) unless the information on the institution is available to the public.

(c) RECORDKEEPING REQUIREMENT.—

(1) IN GENERAL.—For the purpose of completing the study under subsection (a)(1), a participating institution shall—

(A) collect and maintain for each academic year until the study under subsection (a)(1) completed—

(i) student-level data that is sufficient, in the judgment of the Comptroller General, to permit the analysis of expected family contributions, identified need, and undergraduate grant aid awards; and

(ii) information on formulas used by the institution to determine need; and

(B) submit the data and information under paragraph (1) to the Comptroller General at such time as the Comptroller General may reasonably require.

(2) NON-PARTICIPATING INSTITUTIONS.—Nothing in this subsection shall be construed to require an institution of higher education that does not participate under the antitrust exemption under section 568 of the Improving America's Schools Act of 1994 (15 U.S.C. 1 note) to collect and maintain data under this subsection.