

118TH CONGRESS
1ST SESSION

S. 1237

To restore the exemption of family farms and small businesses from the definition of assets under title IV of the Higher Education Act of 1965.

IN THE SENATE OF THE UNITED STATES

APRIL 20, 2023

Ms. ERNST (for herself, Mr. TESTER, Mr. GRASSLEY, Ms. LUMMIS, Mr. RICKETTS, Mr. MORAN, and Mr. BRAUN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To restore the exemption of family farms and small businesses from the definition of assets under title IV of the Higher Education Act of 1965.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Family Farm and
5 Small Business Exemption Act”.

1 **SEC. 2. EXEMPTING FAMILY FARMS AND SMALL BUSI-**
2 **NESSES FROM ASSETS UNDER THE HIGHER**
3 **EDUCATION ACT OF 1965.**

4 (a) IN GENERAL.—Section 480(f)(2) of the Higher
5 Education Act of 1965 (20 U.S.C. 1087vv), as amended
6 by section 702(l)(2) of the FAFSA Simplification Act
7 (title VII of division FF of Public Law 116–260; 134 Stat.
8 3163), is further amended—

9 (1) by striking “net value of the” and inserting
10 the following: “net value of—

11 “(A) the”;

12 (2) by striking the period at the end and insert-
13 ing a semicolon; and

14 (3) by adding at the end the following:

15 “(B) a family farm on which the family re-
16 sides; or

17 “(C) a small business with not more than
18 100 full-time or full-time equivalent employees
19 (or any part of such a small business) that is
20 owned and controlled by the family.”.

21 (b) EFFECTIVE DATE.—The amendments made by
22 subsection (a) shall take effect as if included in the
23 FAFSA Simplification Act (title VII of division FF of
24 Public Law 116–260) and subject to the effective date of
25 section 701(b) of such Act, as amended by section 102(a)
26 of the FAFSA Simplification Act Technical Corrections

1 Act (division R of Public Law 117–103) (including the
2 authorization provided under section 102(c)(1)(A) of such
3 Act).

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