

MAY 29, 2026

RULES COMMITTEE PRINT 119–31
TEXT OF H.R. 7892, THE NO AID FOR GHOST
STUDENTS ACT OF 2026

[Showing the text of H.R. 7891 and H.R. 7892, as reported by
the Committee on Education and Workforce, with modifica-
tions]

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “No Aid for Ghost Stu-
3 dents Act of 2026”.

4 **SEC. 2. IDENTITY FRAUD DETECTION SYSTEM.**

5 (a) **IDENTITY FRAUD DETECTION SYSTEM.**—Section
6 483 of the Higher Education Act of 1965 (20 U.S.C.
7 1090) is amended by adding at the end the following:

8 “(e) **IDENTITY FRAUD DETECTION SYSTEM.**—

9 “(1) **IN GENERAL.**—In addition to, or in con-
10 junction with, other verification processes carried
11 out under this title, the Secretary shall—

12 “(A) use an identity fraud detection sys-
13 tem to screen and assess each application sub-
14 mitted under this section on or after October 1,
15 2026, to determine whether the application pre-
16 sents a reasonable suspicion of identity fraud
17 based on one or more indicators associated with
18 suspected fraud risk; and

1 “(B) carry out notifications in accordance
2 with paragraph (2).

3 “(2) NOTIFICATION OF REASONABLE SUSPICION
4 OF IDENTITY FRAUD.—If the Secretary determines
5 that an application submitted under this section pre-
6 sents a reasonable suspicion of identity fraud, the
7 Secretary shall—

8 “(A) provide the applicant with notice—

9 “(i) of such determination;

10 “(ii) that the information described in
11 subparagraph (B) will be transmitted to
12 each institution of higher education des-
13 ignated by the applicant in the application;
14 and

15 “(iii) that the applicant is subject to
16 additional identity verification require-
17 ments in accordance with section
18 487(a)(15)(B); and

19 “(B) transmit to each institution des-
20 ignated by the applicant in the application, a
21 notice—

22 “(i) that such application presents a
23 reasonable suspicion of identity fraud; and

24 “(ii) that the applicant is subject to
25 additional identity verification require-

1 ments to be carried out by the institution
2 in accordance with section 487(a)(15)(B),
3 before the institution may disburse Federal
4 financial aid under this title to such appli-
5 cant.

6 “(3) CONGRESSIONAL NOTICES AND REPORT.—

7 “(A) NOTICES.—The Secretary shall sub-
8 mit to the authorizing committees—

9 “(i) not later than November 1, 2026,
10 a written description of the identity fraud
11 detection system required under this sub-
12 section; and

13 “(ii) not later than 30 days after im-
14 plementing any substantial change to such
15 system, a written description and rationale
16 for such change.

17 “(B) ANNUAL EVALUATION AND RE-
18 PORT.—Not later than October 1, 2027, and
19 annually thereafter, the Secretary shall conduct
20 an evaluation of the effectiveness of the identity
21 fraud detection system carried out under this
22 subsection, and submit to the authorizing com-
23 mittees a report on the use and effectiveness of
24 such system.

1 “(4) RULE OF CONSTRUCTION.—Nothing in
2 this subsection shall be construed to prohibit the
3 Secretary from meeting the requirements of para-
4 graph (1), in whole or in part, through a capability
5 or system used by the Secretary on or before the
6 date of enactment of the No Aid for Ghost Students
7 Act of 2026.”.

8 (b) ADDITIONAL VERIFICATION REQUIREMENTS.—

9 (1) AMENDMENTS.—Section 487(a)(15) of the
10 Higher Education Act of 1965 (20 U.S.C.
11 1094(a)(15)) is amended—

12 (A) by striking “(15) The institution ac-
13 knowledges” and inserting “(15)(A) The insti-
14 tution acknowledges”; and

15 (B) by adding at the end the following new
16 subparagraph:

17 “(B) Beginning on October 1, 2026, the insti-
18 tution will not disburse Federal financial aid under
19 this title to an applicant with an application under
20 section 483 that presents a reasonable suspicion of
21 identity fraud under section 483(e), unless the insti-
22 tution, directly or through a contracted third-party
23 service provider and in accordance with procedures
24 established by the Secretary—

1 “(i) before the disbursement of such
2 aid—

3 “(I) determines that a reasonable
4 suspicion of identity fraud is not
5 present by confirming the identity of
6 such applicant using—

7 “(aa) in-person identity
8 verification;

9 “(bb) live, synchronous
10 audiovisual identity verification;

11 “(cc) identity verification
12 compliant with National Institute
13 of Standards and Technology
14 Identity Assurance Level 2
15 (NIST IAL2), or an equivalent
16 successor;

17 “(dd) any additional identity
18 verification method approved by
19 the Secretary that provides a
20 level of identity assurance that is
21 equal to or greater than the level
22 of assurance provided by an iden-
23 tify verification method described
24 in items (aa) through (cc); or

1 “(ee) a combination of two
2 or more of the verification meth-
3 ods described in items (aa)
4 through (dd); and

5 “(II) notifies the Secretary that
6 the identity of the applicant has been
7 verified; and

8 “(ii) maintains a record of such iden-
9 tity verification.”.

10 (2) GUIDELINES ON INSTITUTIONAL
11 VERIFICATION PROCEDURES.—Not later than Octo-
12 ber 1, 2026, the Secretary of Education shall estab-
13 lish guidelines with respect to identity verification
14 procedures to be carried out by institutions of higher
15 education under subparagraph (B) of section
16 487(a)(15) of the Higher Education Act of 1965 (20
17 U.S.C. 1094(a)(15)), as amended by paragraph (1).

18 **SEC. 3. PROGRAM REVIEW PRIORITY CATEGORY.**

19 Section 498A(a)(2) of the Higher Education Act of
20 1965 (20 U.S.C. 1099e–1(a)(2)) is amended—

21 (1) in subparagraph (E), by striking “and” at
22 the end;

23 (2) by redesignating subparagraph (F) as sub-
24 paragraph (G); and

1 (3) by inserting after subparagraph (E) the fol-
2 lowing:

3 “(F) institutions that have demonstrated a
4 pattern of disbursing, on or after October 1,
5 2026, Federal financial aid under this title for
6 an award year to students with an application
7 under section 483 for such award year that pre-
8 sented a reasonable suspicion of identity fraud
9 under section 483(e), except that the Secretary
10 shall exclude any institution that demonstrates
11 to the Secretary that the institution is in com-
12 pliance with the requirements of section
13 487(a)(15)(B); and”.

