

- (ii) Drug-abuse violations.
- (iii) Weapons possessions.

\* \* \* \* \*

- (b) \* \* \*

(1) Current students and employees by appropriate publications and mailings, through—

(i) Direct mailing to each individual through the U.S. Postal Service, campus mail, or computer network; or

\* \* \* \* \*

14. Section 668.57 is amended by revising paragraphs (b), (c)(1) introductory text, and (d)(3)(i) to read as follows:

**§ 668.57 Acceptable documentation.**

\* \* \* \* \*

(b) *Number of family members in household.* An institution shall require an applicant selected for verification to verify the number of family members in the household by submitting to it a statement signed by the applicant and one of the applicant's parents if the applicant is a dependent student, or the applicant if the applicant is an independent student, listing the name and age of each family member in the household and the relationship of that household member to the applicant.

- (c) \* \* \*

(1) Except as provided in § 668.56(b), (c), (d), and (e), an institution shall require an applicant selected for verification to verify annually information included on the application regarding the number of household members in the applicant's family enrolled on at least a half-time basis in postsecondary institutions. The institution shall require the applicant to verify the information by submitting a statement signed by the applicant and one of the applicant's parents, if the applicant is a dependent student, or by the applicant if the applicant is an independent student, listing—

\* \* \* \* \*

- (d) \* \* \*

- (3) \* \* \*

(i) A statement signed by the applicant and one of the applicant's parents in the case of a dependent student, or by the applicant in the case of an independent student, certifying the amount of child support received; and

\* \* \* \* \*

15. Section 668.59 is amended by revising paragraphs (a)(2)(ii) and (c)(2)(ii) to read as follows:

**§ 668.59 Consequences of a change in application information.**

- (a) \* \* \*

- (2) \* \* \*

(ii) No dollar amount in excess of \$400 as calculated by the net difference

between the corrected sum of Adjusted Gross Income (AGI) plus untaxed income minus U.S. taxes paid and the uncorrected sum of Adjusted Gross Income (AGI) plus untaxed income minus U.S. taxes paid. If no Federal Income Tax Return was filed, income earned from work may be used in lieu of Adjusted Gross Income (AGI).

\* \* \* \* \*

- (c) \* \* \*

- (2) \* \* \*

(ii) No dollar amount in excess of \$400 as calculated by the net difference between the corrected sum of Adjusted Gross Income (AGI) plus untaxed income minus U.S. taxes paid and the uncorrected sum of Adjusted Gross Income (AGI) plus untaxed income minus U.S. taxes paid. If no Federal Income Tax Return was filed, income earned from work may be used in lieu of Adjusted Gross Income (AGI).

\* \* \* \* \*

16. Section 668.83 is amended by revising paragraphs (f)(2) and (g) to read as follows:

**§ 668.83 Emergency action.**

\* \* \* \* \*

- (f) \* \* \*

(2) Until a final decision is issued by the Secretary in a proceeding described in paragraph (f)(1) of this section, any action affecting the emergency action is at the sole discretion of the initiating official, or, if a show-cause proceeding is conducted, the show-cause official.

\* \* \* \* \*

(g) The expiration of an emergency action, or its modification or revocation by the show-cause official, does not bar subsequent emergency action on a ground other than one specifically identified in the notice imposing the prior emergency action. Separate grounds may include violation of an agreement or limitation imposed or resulting from the prior emergency action.

\* \* \* \* \*

17. Section 668.162 is amended by revising paragraph (1)(iii) under the definition of *Disburse* to read as follows:

**§ 668.162 Definitions.**

\* \* \* \* \*

*Disburse.* \* \* \*

- (1) \* \* \*

(iii) Dispensing cash for which an institution obtains a signed receipt from the student, or in the case of a PLUS Loan from the parent borrower; or

\* \* \* \* \*

18. Section 668.163 is amended by revising paragraph (a)(3) to read as follows:

**§ 668.163 Requesting funds.**

- (a) \* \* \*

(3) *Reimbursement payment method.*

(i) The Secretary has sole discretion in determining whether to place an institution on the reimbursement payment method. Before an institution on reimbursement submits a request for cash, the Secretary requires the institution to—

(A) Identify the students for whom the institution is seeking reimbursement that will be included in the institution's request for cash;

(B) Document properly that each student included in the request for cash satisfies all applicable title IV, HEA program requirements and that the disbursements the institution will make to these students are for the correct amounts; and

(C) Credit appropriately the account of each student included in the request for cash.

(ii) Along with an institution's request for cash, the Secretary requires the institution to submit for review any documentation necessary for determining that the institution has complied with the requirements described in paragraphs (a)(3)(i)(B) and (a)(3)(i)(C) of this section and with any other requirements specified by the Secretary. The amount of the institution's request for cash may not exceed the amount of the disbursements the institution will make to students included in that request. When the institution receives the funds, it must disburse the funds immediately and only to the students identified in the institution's request for cash.

(iii) The Secretary approves the institution's request for cash and transfers electronically the amount of that request into a bank account designated by the institution if the Secretary determines that the institution has complied with all of the requirements described in paragraphs (a)(3)(i) and (a)(3)(ii) of this section.

\* \* \* \* \*

19. Section 668.164 is amended by revising paragraph (a) to read as follows:

**§ 668.164 Maintaining funds.**

(a) *General.* (1) Except for the requirement described in paragraph (f) of this section, this section does not apply to funds that an institution receives under the FFEL programs. An institution that receives FFEL program funds through electronic funds transfer or by master check must maintain those funds as provided under § 682.207(b).

(2)(i) For funds an institution receives under the Federal Pell Grant, Campus-based, SSIG, and FDSL programs, an institution must maintain a bank