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116TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
116–700

COLLEGE AFFORDABILITY ACT

R E P O R T

OF THE

COMMITTEE ON EDUCATION AND LABOR

TO ACCOMPANY

H.R. 4674

together with

MINORITY VIEWS



DECEMBER 28, 2020.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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DECEMBER 28, 2019.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. SCOTT of Virginia, from the Committee on Education and Labor, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 4674]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 4674) to amend and strengthen the Higher Education Act of 1965 to lower the cost of college for students and families, to hold colleges accountable for students' success, and to give a new generation of students the opportunity to graduate on-time and transition to a successful career, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "College Affordability Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References.
Sec. 3. General effective date.

TITLE I—GENERAL PROVISIONS

PART A—DEFINITIONS

Sec. 1001. Definition of institution of higher education for purposes of title IV programs.
Sec. 1002. Additional definitions.
Sec. 1003. Gainful employment programs.

PART B—ADDITIONAL GENERAL PROVISIONS

Sec. 1011. Antidiscrimination.
Sec. 1012. National Advisory Committee on Institutional Quality and Integrity.
Sec. 1013. Disclosures of foreign gifts.
Sec. 1014. Alcohol and substance misuse prevention.
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Sec. 1016. Integrity of nonprofit institutions of higher education.
Sec. 1017. Support and guidance for homeless individuals and foster care youth.
Sec. 1018. Calculation of percentage of enrolled students receiving or eligible for Federal Pell Grants.
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PART C—COST OF HIGHER EDUCATION

Sec. 1021. Consumer information.
Sec. 1022. Postsecondary student data system.
Sec. 1023. Avoiding duplicative reporting.
Sec. 1024. Disclosure of non-instructional spending increases.
Sec. 1025. Textbook information.
Sec. 1026. Repeals.
Sec. 1027. In-state tuition rates for homeless youth and foster care youth.

PART D—ADMINISTRATIVE PROVISIONS FOR DELIVERY OF STUDENT FINANCIAL ASSISTANCE

Sec. 1031. Improvements to the Federal Student Aid Office.

TITLE II—TEACHER QUALITY ENHANCEMENT

PART A—TEACHER AND SCHOOL LEADER QUALITY PARTNERSHIP GRANTS

Sec. 2001. Definitions.
Sec. 2002. Purposes.
Sec. 2003. Partnership grants.
Sec. 2004. Administrative provisions.
Sec. 2005. Accountability and evaluation.
Sec. 2006. Accountability for programs that prepare teachers, principals, or other school leaders.
Sec. 2007. Teacher development.
Sec. 2008. State functions.
Sec. 2009. General provisions.
Sec. 2010. Elevation of the education profession study.
Sec. 2011. Authorization of appropriations.

PART B—ENHANCING TEACHER AND SCHOOL LEADER EDUCATION

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TITLE III—INSTITUTIONAL AID

Sec. 3001. Strengthening institutions.
Sec. 3002. Strengthening institutions.
Sec. 3003. Strengthening Historically Black Colleges and Universities.
Sec. 3004. Historically Black College and University Capital Financing.
Sec. 3005. Strengthening Historically Black Colleges and Universities and other minority-serving institutions.
Sec. 3006. General provisions.

TITLE IV—STUDENT ASSISTANCE

Sec. 4001. Effective date.

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Sec. 4012. Grant eligibility.
Sec. 4013. Extending Federal Pell Grant eligibility of certain short-term programs.
Sec. 4014. Providing Federal Pell Grants for Iraq and Afghanistan veteran's dependents.
Sec. 4015. Federal Pell Grant fraud prevention.
Sec. 4016. Federal Pell Grants on behalf of incarcerated individuals.

SUBPART 2—FEDERAL EARLY OUTREACH AND STUDENT SERVICES PROGRAMS

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Sec. 4026. Educational opportunity centers.
Sec. 4027. Staff developmental activities.
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Sec. 10501. Reauthorization of the U.S. Institute of Peace.

SEC. 2. REFERENCES.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

SEC. 3. GENERAL EFFECTIVE DATE.

Except as otherwise provided in this Act or the amendments made by this Act, this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

TITLE I—GENERAL PROVISIONS

PART A—DEFINITIONS

SEC. 1001. DEFINITION OF INSTITUTION OF HIGHER EDUCATION FOR PURPOSES OF TITLE IV PROGRAMS.

(a) CLARIFICATION.—Section 102(a)(4)(A) of Higher Education Act of 1965 (20 U.S.C. 1002(a)(4)(A)) is amended by inserting "or receivership" after "that files for bankruptcy".

(b) PROPRIETARY INSTITUTIONS.—

(1) IN GENERAL.—Section 102(b) of the Higher Education Act of 1965 (20 U.S.C. 1002(b)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (D), by striking "and" after the semicolon;

(ii) in subparagraph (E), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following:

"(F) meets the requirements of paragraph (3)."; and

(B) by adding at the end the following:

"(3) REVENUE SOURCES.—In order to qualify as a proprietary institution of higher education under this subsection, an institution shall derive not less than 15 percent of the institution's revenues from sources other than Federal education assistance funds, as calculated in accordance with paragraph (4).".

(2) TRANSFER OF PROVISIONS.—

(A) FIRST TRANSFER.—Paragraph (1) of section 487(d) of the Higher Education Act of 1965 (as amended by section 4624) is—

(i) transferred to section 102(b) of such Act;

(ii) inserted so as to appear after paragraph (3) of such section 102(b) (as added by paragraph (1)(B));

(iii) redesignated as paragraph (4) of such section 102(b); and

(iv) further amended by striking "subsection (a)(24)" and inserting "paragraph (3)".

(B) SECOND TRANSFER.—Paragraph (3) of section 487(d) of the Higher Education Act of 1965 (as amended by 4624) is—

(i) transferred to section 102(b) of such Act;

(ii) inserted so as to appear after paragraph (4) of such section 102(b) (as added by subparagraph (A));

(iii) redesignated as paragraph (5) of such section 102(b); and

(iv) further amended by striking "subsection (a)(24)" and inserting "paragraph (3)".

(C) THIRD TRANSFER.—Paragraph (4) of section 487(d) of the Higher Education Act of 1965 (as amended by section 4624) is—

(i) transferred to section 102(b) of such Act;

(ii) inserted so as to appear after paragraph (5) of such section 102(b) (as added by subparagraph (B));

(iii) redesignated as paragraph (6) of such section 102(b); and

(iv) further amended by striking "subsection (a)(24)" and inserting "paragraph (3)".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on July 1, 2023.

SEC. 1002. ADDITIONAL DEFINITIONS.

Section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003) is amended—

(1) in paragraph (6), by striking "section 3(2)" and inserting "section 3";

(2) in paragraph (13), by inserting "controlled," before "owned"; and

(3) by adding at the end the following:

"(25) PUBLIC INSTITUTION OF HIGHER EDUCATION.—The term 'public institution of higher education' means an institution of higher education—

"(A) for which all obligations of the institution are valid and binding obligations of a State (or of an equivalent governmental entity); and

"(B) for which the full faith and credit of such State (or equivalent governmental entity) is pledged for the timely payment of such obligations.

"(26) FOSTER CARE YOUTH.—The term 'foster care youth' means an individual whose care and placement is the responsibility of the State or tribal agency that administers a State or tribal plan under part B or E of title IV of the Social Security Act (42 U.S.C. 621 et seq.; 670 et seq.), without regard to whether foster care maintenance payments are made under section 472 of such Act (42 U.S.C. 672) on behalf of the individual, including any such individual who was in such care on or after attaining 13 years of age and without regard to the reason the individual left such care.

"(27) FEDERAL EDUCATION ASSISTANCE FUNDS.—The term 'Federal education assistance funds'—

"(A) except as provided in subparagraph (B), means any Federal funds provided, under this Act or any other Federal law, through a grant, contract, subsidy, loan, or guarantee, or through insurance or other means (including Federal funds disbursed or delivered to an institution or on behalf of a student or to a student to be used to attend the institution); and

"(B) does not include any monthly housing stipend provided under the Post-9/11 Educational Assistance Program under chapter 33 of title 38, United States Code.

"(28) PROGRESS PERIOD STATUS.—The term 'progress period status' means the status of an institution of higher education that is determined by the Secretary to be in danger of failing to meet title IV eligibility criteria relating to student debt because the institution has an adjusted cohort default rate of not less than 10 percent and not more than 15 percent.".

SEC. 1003. GAINFUL EMPLOYMENT PROGRAMS.

Part A of title I of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended by adding at the end the following:

"SEC. 104. PROGRAM OF TRAINING TO PREPARE STUDENTS FOR GAINFUL EMPLOYMENT IN A RECOGNIZED OCCUPATION.

"(a) GAINFUL EMPLOYMENT PROGRAM DEFINED.—In this Act (including for purposes of sections 101 and 102), the term 'program of training to prepare students for gainful employment in a recognized occupation' means a training program that—

"(1) is in compliance with the performance metrics (including the eligibility thresholds for each such metric) established under subsection (b)(1);

"(2) is in compliance with the notice requirements under subsection (b)(1)(C)(i)(II);

"(3) is otherwise eligible to receive funds under title IV; and

"(4) is not a training program that is substantially similar to a training program which, during a period determined by the Secretary, did not meet one or more of the performance metrics (such as an eligibility threshold) described in paragraph (1).

"(b) SECRETARIAL REQUIREMENTS.—

"(1) ESTABLISHMENT OF REQUIREMENTS.—

"(A) IN GENERAL.—Not later than 18 months after the date of enactment of the College Affordability Act, the Secretary shall establish requirements that training programs shall meet to be programs of training to prepare students for gainful employment in a recognized occupation, which shall include—

"(i) establishing performance metrics (including eligibility thresholds for each such metric) described in subparagraph (B); and

"(ii) developing a disclosure template and a verification process for disclosures described in subparagraph (C).

"(B) PERFORMANCE METRICS.—

"(i) IN GENERAL.—In establishing the performance metrics under subparagraph (A)(i), the Secretary shall, at a minimum, establish the requirements for a debt-to-earnings rate that serves the best interests of students and taxpayers, which shall include—

"(I) a methodology for calculating such debt-to-earnings rate for a training program, including—

"(aa) a definition of the cohort of individuals on whom such rate shall be based, who shall be selected from the individuals who were enrolled in such training program (without regard to whether the individuals received a loan for such enrollment);

"(bb) a determination of the debt amount for such rate based on the median annual loan payment for the loans made under title IV and the private education loans received for such enrollment by such cohort;

"(cc) a determination of the earnings amount for such rate based on the mean or median of the actual, student-level annual earnings for such cohort; and

"(dd) establishing a process (such as an appeals process) to authorize training programs to use alternate earnings in lieu of the mean or median of the actual, student-level annual earnings of a cohort; and

"(II) establishing a threshold rate that—

"(aa) each training program shall meet to be eligible to receive funds under title IV; and

"(bb) is comparable to the eligibility thresholds for the debt-to-earning ratio established in the final rule on "Program Integrity: Gainful Employment" published by the Department of Education in the Federal Register on October 31, 2014 (Fed. Reg. 64890 et seq.).

"(ii) EARNINGS DATA.—In determining the mean or median of the actual, student-level annual earnings for purposes of this subparagraph, the Secretary shall obtain and use the most appropriate available Federal data on such earnings.

"(C) DISCLOSURE TEMPLATE.—The Secretary shall develop—

"(i) a disclosure template that—

"(I) is consumer tested; and

"(II) is used by each institution of higher education that offers a training program to provide enrolled and prospective students (including through publication on the website of such institution of higher education for such training program)—

"(aa) on an annual basis, student outcome information for such program (including the debt-to-earnings rate and whether the eligibility threshold for any other performance metric established under subparagraph (A)(i) has been met); and

"(bb) in a case in which the training program receives a notice of determination under paragraph (2)(B) that the program may be ineligible for funds under title IV, or may receive other sanctions, not later than 30 days after receipt of such notice, an explanation of such notice of determination; and

"(ii) a process to annually verify that each institution of higher education that offers a training program is providing the disclosures required under clause (i)(II).

"(2) ENFORCEMENT OF REQUIREMENTS.—Not later than 2 years after the Secretary establishes requirements under paragraph (1), and annually thereafter, the Secretary shall, with respect to each training program that seeks to meet the definition in subsection (a), including each such program that met such definition for most recent award year for which data are available—

"(A) calculate the debt-to-earnings rate and assess performance with respect to any other metric established under paragraph (1)(A)(i) for the preceding award year, and make such information publicly available on the website of the Department;

"(B) issue a notice of determination on whether the program meets the definition in subsection (a), including whether the program shall be subject to sanctions (such as loss of eligibility under title IV); and

"(C) enforce the applicable sanctions.".

PART B—ADDITIONAL GENERAL PROVISIONS

SEC. 1011. ANTIDISCRIMINATION.

Section 111(a) of the Higher Education Act of 1965 (20 U.S.C. 1011(a)) is amended by inserting "(including sexual orientation, gender identity, pregnancy, childbirth, a medical condition related to pregnancy or childbirth, or sex stereotype)" after "sex".

SEC. 1012. NATIONAL ADVISORY COMMITTEE ON INSTITUTIONAL QUALITY AND INTEGRITY.

Section 114 of the Higher Education Act of 1965 (20 U.S.C. 1011c) is amended by striking subsection (f).

SEC. 1013. DISCLOSURES OF FOREIGN GIFTS.

(a) IN GENERAL.—Section 117 of the Higher Education Act of 1965 (20 U.S.C. 1011f) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by adding at the end the following: "In this paragraph, the term 'aggregate dollar amount' includes the fair market value of staff members, textbooks, and other in-kind gifts."; and

(B) in paragraph (2), by inserting "In this paragraph, the term 'aggregate dollar amount' includes the fair market value of staff members, textbooks, and other in-kind gifts." after "each foreign government.";

(2) in subsection (d)—

(A) in paragraph (1) by striking "are substantially" and all that follows through "this section," and inserting "includes all information required by this section,"; and

(B) in paragraph (2) by striking "requirements substantially similar to those" and inserting "all the information";

(3) in subsection (e), by adding at the end the following: "Not later than 30 days after receiving a disclosure report under this section, the Secretary shall make such report electronically available to the public for downloading on searchable database under which institutions can be individually identified and compared."; and

(4) by amending subsection (g) to read as follows:

"(g) REGULATIONS.—

"(1) IN GENERAL.—Not later than 2 years after the date of the enactment of the College Affordability Act, the Secretary shall issue regulations to carry out this section.

"(2) PROCEDURE.—Regulations under paragraph (1) shall be—

"(A) developed through the negotiated rulemaking process under section 492;

"(B) developed with consultation from stakeholders; and

"(C) published in the Federal Register in accordance with section 482.";

(5) in subsection (h)—

(A) in paragraph (3), by striking "or property" and inserting "property, human resources, or payment of any staff"; and

(B) in paragraph (5)(B), by inserting "institutes, instructional programs," after "centers,"; and

(6) by adding at the end the following:

"(i) TREATMENT OF TUITION PAYMENT.—A tuition and related fees and expenses payment to an institution by a foreign source made on behalf of a student enrolled at such institution shall not be considered a gift from or contract with a foreign source under this subsection.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date on which the regulations issued under section 117(g)(1) of the Higher Education Act of 1965 (20 U.S.C. 1011f(g)(1)), as amended by this section, take effect.

SEC. 1014. ALCOHOL AND SUBSTANCE MISUSE PREVENTION.

(a) IN GENERAL.—Section 120 of the Higher Education Act of 1965 (20 U.S.C. 1011i) is amended—

(1) in the section heading, by striking "**DRUG AND ALCOHOL ABUSE**" and inserting "**ALCOHOL AND SUBSTANCE MISUSE**";

(2) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking "a program to prevent the use of illicit drugs and the abuse of alcohol by students and employees that," and inserting "an evidence-based program to prevent alcohol and substance misuse by students and employees that,";

(B) by amending paragraph (1)(C) to read as follows:

"(C) a description of the health-risks associated with the use of illicit drugs and alcohol and substance misuse;";

(C) by amending paragraph (1)(D) to read as follows:

"(D) a description of any alcohol or substance misuse counseling, treatment, rehabilitation, recovery, re-entry, or recovery support programs provided by the institution (including in partnership with a community-based organization) that are available to employees or students;"; and

(D) in paragraph (1)(E), by striking "that the institution will impose" and inserting "of the policies of the institution regarding";

(3) in subsection (c)—

(A) in paragraph (1)—

(i) by striking "and" at the end of subparagraph (A);

(ii) in subparagraph (B), by striking the period and inserting "; and"; and

(iii) by adding at the end the following:

"(C) compliance assistance to assist institutions in complying with the requirements of this section.";

(B) by redesignating paragraph (2) as paragraph (4); and

(C) by inserting after paragraph (1) the following:

"(2) INTERAGENCY AGREEMENT.—Not later than 180 days after the date of enactment of the College Affordability Act, the Secretary shall enter into a interagency agreement with the Secretary of Health and Human Services to—

"(A) determine criteria that satisfy the requirement of subsection (a) that an institution of higher education has adopted and has implemented an evidence-based program described in such subsection;

"(B) establish a process for disseminating the best practices for adopting and implementing such an evidence-based program; and

"(C) establish a process that promotes coordination and collaboration between institutions of higher education and the respective State agencies that administer the Substance Abuse Prevention and Treatment Block Grants pursuant to subpart II of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x–21).

"(3) GUIDANCE.—Not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall, in coordination with the Secretary of Health and Human Services, issue guidance with respect to the criteria described in paragraph (2)(A).''; and

(4) in subsection (e)—

(A) in the subsection heading, by striking "DRUG ABUSE" in the heading and inserting "SUBSTANCE MISUSE";

(B) in paragraph (1)—

(i) by striking "other organizations" and inserting "community-based organizations that partner with institutions of higher education";

(ii) by striking "programs of prevention, and education (including treatment-referral) to reduce and eliminate the illegal use of drugs and alcohol and the violence associated with such use" and inserting "evidence-based programs of alcohol and substance misuse prevention and education (including programs to improve access to treatment, referral for treatment services, or crisis intervention services) to eliminate illegal substance use, decrease substance misuse, and improve public health and safety"; and

(iii) by striking "alcohol and drug abuse" and inserting "substance use disorder";

(C) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6), respectively;

(D) by inserting after paragraph (1) the following:

"(2) ADDITIONAL USES.—In addition to the activities described in paragraph (1), a grant or contract awarded under paragraph (1) may be used to carry out 1 or more of the following evidence-based programs or activities:

"(A) Providing programs for recovery support services, and peer-to-peer support services and counseling for students with a substance use disorder.

"(B) Promoting integration and collaboration in campus-based health services between primary care, substance use disorder services, and mental health services.

"(C) Promoting integrated care services for students related to screening, diagnosis, prevention, and treatment of mental, behavioral, and substance use disorders.

"(D) Providing re-entry assistance for students on academic probation due to their substance use disorder.

"(E) Preventing fatal and nonfatal overdoses.

"(F) Providing education to students, faculty, or other personnel on—

"(i) recognizing the signs and symptoms of substance use disorder, and how to engage and support a person in a crisis situation;

"(ii) resources available in the community, within the institution of higher education, and other relevant resources for individuals with a substance use disorder; and

"(iii) safely de-escalating crisis situations involving individuals with a substance use disorder.''; and

(E) by amending paragraph (6), as redesignated by subparagraph (C), to read as follows:

"(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $15,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.''.

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of enactment of this Act.

(2) DELAYED EFFECTIVE DATES.—The amendments made by subsection (a)(2) shall apply to institutions of higher education on the date that is 2 years after the date of enactment of this Act.

SEC. 1015. EXCEPTION TO REQUIRED REGISTRATION WITH SELECTIVE SERVICE SYSTEM.

Part B of title I of the Higher Education Act of 1965 (20 U.S.C. 1011 et seq.) is amended by adding at the end the following:

"SEC. 124. EXCEPTION TO REQUIRED REGISTRATION WITH SELECTIVE SERVICE SYSTEM.

"Notwithstanding section 12(f) of the Military Selective Service Act (50 U.S.C. 3811(f)), a person shall not be ineligible for assistance or a benefit provided under title IV if the person is required under section 3 of such Act (50 U.S.C. 3802) to present himself for and submit to registration under such section, and fails to do so in accordance with any proclamation, rule, or regulation issued under such section.".

SEC. 1016. INTEGRITY OF NONPROFIT INSTITUTIONS OF HIGHER EDUCATION.

Part B of title I of the Higher Education Act of 1965 (20 U.S.C. 1011 et seq.), as amended by this part, is further amended by adding at the end the following:

"SEC. 125. INTEGRITY OF NONPROFIT INSTITUTIONS OF HIGHER EDUCATION.

"(a) DETERMINATION.—The Secretary may approve the conversion of an institution of higher education to a nonprofit institution of higher education only if the Secretary determines that such institution of higher education meets the requirements under subsection (b).

"(b) APPLICATION.—To be eligible to convert and participate as a nonprofit institution of higher education under this Act, an institution of higher education shall submit an application to the Secretary that demonstrates each of the following:

"(1) That the institution of higher education that submits such application is controlled, owned, and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"(2) That any assets or services acquired by the institution of higher education that submits such application from former owners of such institution of higher education were not acquired for more than the value of such assets or services.

"(3) That no member of the governing board of the institution of higher education that submits such application (other than ex officio members serving at the pleasure of the remainder of the governing board and receiving a fixed salary), or any person with the power to appoint or remove members of such governing board or any immediate family member of such a member of the board or such a person with power of appointment, receives any substantial direct or indirect economic benefit (including a lease, promissory note, or other contract) from such institution of higher education.

"(4) That the institution of higher education that submits such application is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and is exempt from taxation under section 501(a) of such Code.

"(5) Subject to subsection (c), that none of the core functions of the institution of higher education that submits such application are under the control of, or subject to significant direction from, an entity that is not a public institution of higher education or other nonprofit entity.

"(c) PRESUMPTION OF SIGNIFICANT DIRECTION.—For purposes of paragraph (5) of subsection (b), in the case of an institution of higher education that submits an application under such subsection, there shall be a conclusive presumption that an entity (other than such institution of higher education) exercises significant direction over such institution if one or more of the employees or owners of the entity serves as an officer, member of the board, or person holding similar authority for such institution.

"(d) TRANSITION PERIOD.—

"(1) IN GENERAL.—In the case of a proprietary institution of higher education approved for conversion under subsection (a), for a period of at least 5 years that begins on the date such institution is approved for such conversion, the institution shall be—

"(A) subject to any provision of this Act and any regulation that apply to proprietary institutions of higher education; and

"(B) considered a proprietary institution of higher education for purposes of this Act.

"(2) DEFINITION.—The term 'proprietary institution of higher education' has the meaning given the term in section 102(b).

"(e) VALUE.—The term 'value', with respect to an acquisition under subsection (b)(2)—

"(1) includes the value of any ongoing relationship (including any contract, agreement, lease or other arrangement);

"(2) subject to paragraph (3), may be demonstrated through—

"(A) a third-party appraisal based on comparable assets acquired by, or goods or services procured by, nonprofit corporations in similar market conditions;

"(B) an independent financing of the acquisition based upon the assets acquired; or

"(C) a full and open competition in the acquisition of services or assets, as such term is defined in section 2.101(b) of title 48, Code of Federal Regulations, as in effect on the date of the enactment of this section; and

"(3) shall be subject to such other demonstration process determined appropriate by the Secretary in a case in which the Secretary does not accept a demonstration process described in paragraph (2).

"(f) PUBLICATION.—

"(1) APPLICATION.—Before the Secretary may approve the conversion of an institution of higher education under subsection (a), the application of such institution submitted to the Secretary under subsection (b) shall be published in the Federal Register with an appropriate notice and comment period.

"(2) DETERMINATION.—The Secretary shall publish each determination under this section, and the reasons for such determination, under the Federal Register.

"(g) PUBLIC REPRESENTATION AND MARKETING OF NONPROFIT STATUS.—An institution of higher education shall not promote or market itself, in any manner, as a nonprofit institution of higher education unless—

"(1) in the case of an institution of higher education that seeks to convert to a nonprofit institution of higher education under this section—

"(A) the Secretary has given final approval of the conversion of the institution to a nonprofit institution of higher education under this section;

"(B) an accrediting agency or association recognized by the Secretary pursuant to section 496 has approved the nonprofit status of the institution; and

"(C) the State has given final approval to the institution as a nonprofit institution of higher education, as applicable; and

"(2) the Commissioner of Internal Revenue has approved the institution as tax exempt for purposes of the Internal Revenue Code of 1986.

"(h) OFFICE TO MONITOR NONPROFIT INTEGRITY.—Not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall establish an office within the Department with the expertise necessary to carry out this section.

"SEC. 126. REVIEW OF GOVERNANCE.

"The Secretary shall review the governance of an institution of higher education when such institution has engaged in transactions or arrangements determined by the Secretary as potential indicators of private inurement, in order to promote the highest standards of nonprofit integrity.".

SEC. 1017. SUPPORT AND GUIDANCE FOR HOMELESS INDIVIDUALS AND FOSTER CARE YOUTH.

Part B of title I of the Higher Education Act of 1965 (20 U.S.C. 1011 et seq.), as amended by this part, is further amended by adding at the end the following:

"SEC. 127. SUPPORT AND GUIDANCE FOR HOMELESS INDIVIDUALS AND FOSTER CARE YOUTH.

"(a) GUIDANCE.—Not later than 120 days after the date of enactment of the College Affordability Act, the Secretary shall issue revised guidance for institutions of higher education and financial aid administrators regarding serving homeless individuals and foster care youth, including the requirements of the determination process for financial aid administrators as specified in section 480(d).

"(b) PROFESSIONAL DEVELOPMENT.—Beginning not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall conduct an annual professional development or training program, such as a webinar, for liaisons described under section 485(k) and interested faculty or staff regarding postsecondary education services for such homeless individuals and foster care youth.

"(c) REPORT.—Not later than 1 year after the date of enactment of the College Affordability Act, and not less than once every 5 years thereafter, the Secretary shall prepare and submit to Congress a report containing strategies used by institutions, financial aid administrators, and liaisons described under section 485(k) that were effective in meeting the needs of such homeless individuals and foster care youth, including strategies relating to streamlining financial aid policies and procedures and postsecondary education recruitment, retention, and completion.

"(d) HOMELESS INDIVIDUAL DEFINED.—In this section, the term 'homeless individual' has the meaning given the term in section 402A.".

SEC. 1018. CALCULATION OF PERCENTAGE OF ENROLLED STUDENTS RECEIVING OR ELIGIBLE FOR FEDERAL PELL GRANTS.

Part B of title I of the Higher Education Act of 1965 (20 U.S.C. 1011 et seq.), as amended by this part, is further amended by adding at the end the following:

"SEC. 128. CALCULATION OF PERCENTAGE OF ENROLLED STUDENTS RECEIVING OR ELIGIBLE FOR FEDERAL PELL GRANTS.

"Beginning on the date of enactment of the College Affordability Act, for purposes of calculating under this Act the percentage of students enrolled at an institution of higher education or in a program who are receiving Federal Pell Grants under section 401 or who are eligible to receive such grants, the total number of students who are counted as enrolled in such institution or program shall not include students who are dually or concurrently enrolled in the institution or program and a secondary school.".

SEC. 1019. CERTIFICATION REGARDING THE USE OF CERTAIN FEDERAL FUNDS.

(a) IN GENERAL.—Part B of title I of the Higher Education Act of 1965 (20 U.S.C. 1011 et seq.), as amended by this part, is further amended by adding at the end the following:

"SEC. 129. CERTIFICATION REGARDING THE USE OF CERTAIN FEDERAL FUNDS.

"(a) PROHIBITION.—No Federal funds received under this Act by an institution of higher education or other postsecondary educational institution may be used to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action described in subsection (b).

"(b) APPLICABILITY.—The prohibition in subsection (a) applies with respect to the following Federal actions:

"(1) The awarding of any Federal contract.

"(2) The making of any Federal grant.

"(3) The making of any Federal loan.

"(4) The entering into of any Federal cooperative agreement.

"(5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

"(c) LOBBYING AND EARMARKS.—No Federal student aid funding under this Act may be used to hire a registered lobbyist or pay any person or entity for securing an earmark.

"(d) CERTIFICATION.—Each institution of higher education or other postsecondary educational institution receiving Federal funding under this Act, as a condition for receiving such funding, shall annually certify to the Secretary that the requirements of subsections (a) through (c) have been met.

"(e) ACTIONS TO IMPLEMENT AND ENFORCE.—The Secretary shall take such actions as are necessary to ensure that the provisions of this section are implemented and enforced.".

(b) CONFORMING AMENDMENT.—

(1) IN GENERAL.—Section 119 of the Higher Education Opportunity Act (20 U.S.C. 1011m) is repealed.

(2) CONFORMING AMENDMENT.—The table of sections in section 1(b) of the Higher Education Opportunity Act is amended by striking the item relating to section 119.

SEC. 1020. FREEDOM OF ASSOCIATION.

Part B of title I of the Higher Education Act of 1965 (20 U.S.C. 1011 et seq.), as amended by this part, is further amended by adding at the end the following:

"SEC. 130. FREEDOM OF ASSOCIATION.

"(a) NON-RETALIATION AGAINST STUDENTS OF SINGLE-SEX SOCIAL ORGANIZATIONS.—An institution of higher education that receives funds under this Act shall not—

"(1) take any action to require or coerce a student or prospective student who is a member or prospective member of a single-sex social organization to waive the requirements of paragraph (2), including as a condition of enrolling in the institution; or

"(2) take any adverse action against a student who is a member or a prospective member of a single-sex social organization based solely on the membership practice of such organization limiting membership to only individuals of one sex.

"(b) RULES OF CONSTRUCTION.—Nothing in this section shall—

"(1) require an institution of higher education to officially recognize a single-sex organization;

"(2) prohibit an institution of higher education from taking an adverse action against a student who joins a single-sex social organization for a reason including academic misconduct or nonacademic misconduct, or because the organization's purpose poses a clear harm to the students or employees, so long as that adverse action is not based solely on the membership practice of the organization of limiting membership to only individuals of one sex; or

"(3) inhibit the ability of the faculty, staff, or administrators of an institution of higher education to express an opinion (either individually or collectively) about membership in a single-sex social organization, or otherwise inhibit the academic freedom of such faculty, staff, or administrators to research, write, or publish material about membership in such an organization.

"(c) DEFINITIONS.—In this section:

"(1) ADVERSE ACTION.—The term 'adverse action' means any of the following actions taken by an institution of higher education with respect to a member or prospective member of a single-sex social organization:

"(A) Expulsion, suspension, probation, censure, condemnation, formal reprimand, or any other disciplinary action, coercive action, or sanction taken by an institution of higher education or administrative unit of such institution.

"(B) An oral or written warning with respect to an action described in subparagraph (A).

"(C) An action to deny participation in any education program or activity.

"(D) An action to withhold, in whole or in part, any financial assistance (including scholarships and on campus employment), or denying the opportunity to apply for financial assistance, a scholarship, a graduate fellowship, or on-campus employment.

"(E) An action to deny or restrict access to on-campus housing.

"(F) An act to deny any certification, endorsement, or letter of recommendation that may be required by a student's current or future employer, a government agency, a licensing board, an institution of higher education, a scholarship program, or a graduate fellowship to which the student seeks to apply.

"(G) An action to deny participation in any sports team, club, or other student organization, including a denial of any leadership position in any sports team, club, or other student organization.

"(H) An action to require any student to certify that such student is not a member of a single-sex social organization or to disclose the student's membership in a single-sex social organization.

"(2) SINGLE-SEX SOCIAL ORGANIZATION.—The term 'single-sex social organization' means—

"(A) a social fraternity or sorority described in section 501(c) of the Internal Revenue Code of 1986 which is exempt from taxation under section 501(a) of such Code; or

"(B) an organization that has been historically single-sex, the active membership of which consists primarily of students or alumni of an institution of higher education or multiple institutions of higher education.".

PART C—COST OF HIGHER EDUCATION

SEC. 1021. CONSUMER INFORMATION.

(a) NET PRICE CALCULATORS.—

(1) MINIMUM STANDARDS.—Section 132(h) of the Higher Education Act of 1965 (20 U.S.C. 1015a(h)) is amended—

(A) by redesignating paragraph (4) as paragraph (6);

(B) in paragraph (2), by inserting before the period ", and, not later than 1 year after the date of enactment of the College Affordability Act, shall meet the requirements of paragraph (4)(C)";

(C) in paragraph (3), by inserting after the first sentence the following: "Not later than 1 year after the date of enactment of the College Affordability Act, such calculator shall meet the requirements of paragraph (4)."; and

(D) by inserting after paragraph (3) the following:

"(4) MINIMUM REQUIREMENTS FOR NET PRICE CALCULATORS.—Not later than 1 year after the date of enactment of the College Affordability Act, a net price calculator for an institution of higher education shall, at a minimum, meet the following requirements:

"(A) The link for the calculator—

"(i) is clearly labeled as a 'net price calculator' and prominently, clearly, and conspicuously (in such size and contrast (such as shade) that it is readily noticeable and readable) posted in locations on the institution's website where information on costs and aid is provided (such as financial aid, prospective students, or tuition and fees web pages);

"(ii) matches in size and font to the other prominent links on the primary menu; and

"(iii) may also be included on the institution's compliance web page, which contains information relating to compliance with Federal, State, and local laws.

"(B) The input screen for the net price calculator displays a chart of the net prices for students receiving Federal student financial aid under title IV (as required by subsection (i)(5)) for the most recent academic year for which data are available, disaggregated by income categories.

"(C) The results screen for the calculator specifies the following information:

"(i) The individual net price (as calculated under paragraph (2)) for the individual student, which is the most visually prominent figure on the results screen, including a statement of—

"(I) the year for which the net price applies; and

"(II) the year from which the data was used to determine that net price.

"(ii) Cost of attendance, including—

"(I) the total estimated cost for a student to complete the program of study, based on normal time for completion of, or graduation from, the student's particular program of study;

"(II) the total annual cost of attendance;

"(III) annual tuition and fees;

"(IV) average annual cost of room and board for the institution for a first-time, full-time undergraduate student enrolled in the institution;

"(V) average annual cost of books and supplies for a first-time, full-time undergraduate student enrolled in the institution;

"(VI) estimated annual cost of other expenses (including personal expenses and transportation) for a first-time, full-time undergraduate student enrolled in the institution; and

"(VII) a statement of—

"(aa) the year for which each cost described in this clause applies; and

"(bb) the year from which the data was used to determine each cost described in this clause.

"(iii) Estimated total need-based grant aid and merit-based grant aid, from Federal, State, and institutional sources, that may be available to the individual student, showing the subtotal for each category and the total of all sources of grant aid, and disaggregated by academic year for normal time for completion of, or graduation from, the student's particular program of study.

"(iv) Percentage of the first-time, full-time undergraduate students enrolled in the institution that received any type of grant aid described in clause (iii), disaggregated by their first year and subsequent years of enrollment up to the number of years for normal completion of, or graduation from, their particular program of study.

"(v) The disclaimer described in paragraph (6).

"(vi) In the case of a calculator that—

"(I) includes questions to estimate a student's (or prospective student's) eligibility for veterans' education benefits (as defined in section 480) or educational benefits for active duty service members, such benefits are displayed on the results screen in a manner that clearly distinguishes them from the grant aid described in clause (iii); or

"(II) does not include questions to estimate eligibility for the benefits described in subclause (I), the results screen indicates—

"(aa) that certain students (or prospective students) may qualify for such benefits;

"(bb) states why the institution is not including questions to estimate a student's eligibility for such benefits; and

"(cc) includes a link to an appropriate Federal website that provides information about such benefits.

"(D) The institution populates the calculator with data from not earlier than 2 academic years prior to the most recent academic year.

"(5) PROHIBITION ON USE OF DATA COLLECTED BY THE NET PRICE CALCULATOR.—A net price calculator for an institution of higher education shall—

"(A) clearly indicate which questions are required to be completed for an estimate of the net price from the calculator;

"(B) in the case of a calculator that requests contact information from users, clearly mark such requests as 'optional';

"(C) prohibit any personally identifiable information provided by users from being sold or made available to third parties; and

"(D) clearly state 'Any information that you provide on this site is confidential. The Net Price Calculator does not store your responses or require personal identifying information of any kind.'.".

(2) UNIVERSAL NET PRICE CALCULATOR.—Section 132(h) of the Higher Education Act of 1965 (20 U.S.C. 1015a(h)), as amended by paragraph (1), is further amended by adding at the end the following:

"(7) UNIVERSAL NET PRICE CALCULATOR.—

"(A) IN GENERAL.—The Secretary may develop a universal net price calculator that is housed within the Department of Education, with Department branding, and that may be based on or utilize an existing platform developed by a public or private entity, that—

"(i) enables users to answer one set of questions and receive net prices for any institution that is required to have a net price calculator under this subsection;

"(ii) provides the information required under subparagraphs (C) and (D) of paragraph (4) for each institution for which a net price is being sought;

"(iii) is developed in consultation with the heads of relevant Federal agencies; and

"(iv) before being finalized and publicly released, is tested in accordance with subparagraph (B).

"(B) CONSUMER TESTING.—

"(i) IN GENERAL.—If the Secretary develops a universal net price calculator under subparagraph (A), the Secretary, in consultation with the heads of relevant Federal agencies, shall establish a process to submit the universal net price calculator developed under this paragraph for consumer testing among representatives of students (including low-income students, first generation college students, adult students, and prospective students), students' families (including low-income families, families with first generation college students, and families with prospective students), institutions of higher education, secondary school and postsecondary counselors, and nonprofit consumer groups.

"(ii) LENGTH OF CONSUMER TESTING.—The Secretary shall ensure that the consumer testing lasts no longer than 6 months after the process for consumer testing is developed under clause (i).

"(iii) USE OF RESULTS.—The results of consumer testing under clause (i) shall be used in the final development of the universal net price calculator.

"(iv) REPORTING REQUIREMENT.—Not later than 3 months after the date the consumer testing under clause (i) concludes, the Secretary shall submit to Congress the final universal net price calculator and a report detailing the results of such testing, including whether the Secretary added any additional items to the calculator as a result of such testing.

"(v) AUTHORITY TO MODIFY.—The Secretary may modify the definitions, terms, formatting, and design of the universal net price calculator based on the results of consumer testing required under this paragraph and before finalizing the calculator.

"(8) REPORT FROM SECRETARY.—Not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall submit a report to Congress on steps taken to raise awareness of net price calculators among prospective students and families, particularly among students in middle school and high school and students from low-income families.".

(b) INSTITUTIONAL EXPENDITURES.—Section 132(i)(1) of the Higher Education Act of 1965 (20 U.S.C. 1015a(i)(1)) is amended—

(1) in subparagraph (T), by striking "rate," and inserting "rate and adjusted cohort default rate,"; and

(2) by adding at the end the following:

"(AA) The institution's expenditures on each of the following:

"(i) Instruction.
"(ii) Student services.
"(iii) Marketing.
"(iv) Recruitment.
"(v) Advertising.
"(vi) Lobbying.".

SEC. 1022. POSTSECONDARY STUDENT DATA SYSTEM.

(a) POSTSECONDARY STUDENT DATA SYSTEM.—Section 132 of the Higher Education Act of 1965 (20 U.S.C. 1015a) is amended—

(1) by redesignating subsection (l) as subsection (m); and

(2) by inserting after subsection (k) the following:

"(l) POSTSECONDARY STUDENT DATA SYSTEM.—

"(1) IN GENERAL.—

"(A) ESTABLISHMENT OF SYSTEM.—The Commissioner of the National Center for Education Statistics (referred to in this subsection as the 'Commissioner') shall develop and maintain a secure, privacy-protected postsecondary student-level data system in order to—

"(i) accurately evaluate student enrollment patterns, progression, completion, and postcollegiate outcomes, and higher education costs and financial aid;

"(ii) assist with transparency, institutional improvement, and analysis of Federal aid programs;

"(iii) provide accurate, complete, and customizable information for students and families making decisions about postsecondary education; and

"(iv) reduce the reporting burden on institutions of higher education, in accordance with section 1022(b)(2) of the College Affordability Act.

"(B) AVOIDING DUPLICATED REPORTING.—Notwithstanding any other provision of this section, to the extent that another provision of this section requires the same reporting or collection of data that is required under this subsection, an institution of higher education, or the Secretary or Commissioner, may use the reporting or data required for the postsecondary student data system under this subsection to satisfy both requirements.

"(C) DEVELOPMENT PROCESS.—In developing the postsecondary student data system described in this subsection, the Commissioner shall—

"(i) focus on the needs of—

"(I) users of the data system; and

"(II) entities, including institutions of higher education, reporting to the data system;

"(ii) take into consideration, to the extent practicable—

"(I) the guidelines outlined in the U.S. Web Design Standards maintained by the General Services Administration and the Digital Services Playbook and TechFAR Handbook for Procuring Digital Services Using Agile Processes of the U.S. Digital Service; and

"(II) the relevant successor documents or recommendations of such guidelines;

"(iii) use modern, relevant privacy- and security-enhancing technology, and enhance and update the data system as necessary to carry out the purpose of this subsection;

"(iv) ensure data privacy and security is consistent with any Federal law relating to privacy or data security, including—

"(I) the requirements of subchapter II of chapter 35 of title 44, United States Code, specifying security categorization under the Federal Information Processing Standards or any relevant successor of such standards;

"(II) security requirements that are consistent with the Federal agency responsibilities in section 3554 of title 44, United States Code, or any relevant successor of such responsibilities; and

"(III) security requirements, guidelines, and controls consistent with cybersecurity standards and best practices developed by the National Institute of Standards and Technology, including frameworks, consistent with section 2(c) of the National Institute of Standards and Technology Act (15 U.S.C. 272(c)), or any relevant successor of such frameworks;

"(v) follow Federal data minimization practices to ensure only the minimum amount of data is collected to meet the system's goals, in accordance with Federal data minimization standards and guidelines developed by the National Institute of Standards and Technology; and

"(vi) provide notice to students outlining the data included in the system and how the data are used.

"(2) DATA ELEMENTS.—

"(A) IN GENERAL.—The Commissioner, in consultation with the Postsecondary Student Data System Advisory Committee established under subparagraph (B), shall determine—

"(i) the data elements to be included in the postsecondary student data system, in accordance with subparagraphs (C) and (D); and

"(ii) how to include the data elements required under subparagraph (C), and any additional data elements selected under subparagraph (D), in the postsecondary student data system.

"(B) POSTSECONDARY STUDENT DATA SYSTEM ADVISORY COMMITTEE.—

"(i) ESTABLISHMENT.—The Commissioner shall establish a Postsecondary Student Data System Advisory Committee (referred to in this subsection as the 'Advisory Committee'), whose members shall include—

"(I) the Chief Privacy Officer of the Department or an official of the Department delegated the duties of overseeing data privacy at the Department;

"(II) the Chief Security Officer of the Department or an official of the Department delegated the duties of overseeing data security at the Department;

"(III) representatives of diverse institutions of higher education, which shall include equal representation between 2-year and 4-year institutions of higher education, and from public, nonprofit, and proprietary institutions of higher education, including minority-serving institutions;

"(IV) representatives from State higher education agencies, entities, bodies, or boards;

"(V) representatives of postsecondary students;

"(VI) representatives from relevant Federal agencies; and

"(VII) other stakeholders (including individuals with expertise in data privacy and security, consumer protection, and postsecondary education research).

"(ii) REQUIREMENTS.—The Commissioner shall ensure that the Advisory Committee—

"(I) adheres to all requirements under the Federal Advisory Committee Act (5 U.S.C. App.);

"(II) establishes operating and meeting procedures and guidelines necessary to execute its advisory duties; and

"(III) is provided with appropriate staffing and resources to execute its advisory duties.

"(C) REQUIRED DATA ELEMENTS.—The data elements in the postsecondary student data system shall include, at a minimum, the following:

"(i) Student-level data elements necessary to calculate the information within the surveys designated by the Commissioner as 'student-related surveys' in the Integrated Postsecondary Education Data System (IPEDS), as such surveys are in effect on the day before the date of enactment of the College Affordability Act, except that in the case that collection of such elements would conflict with subparagraph (F), such elements in conflict with subparagraph (F) shall be included in the aggregate instead of at the student level.

"(ii) Student-level data elements necessary to allow for reporting student enrollment, persistence, retention, transfer, and completion measures for all credential levels separately (including certificate, associate, baccalaureate, and advanced degree levels), within and across institutions of higher education (including across all categories of institution level, control, and predominant degree awarded). The data elements shall allow for reporting about all such data disaggregated by the following categories:

"(I) Enrollment status as a first-time student, recent transfer student, or other non-first-time student.

"(II) Attendance intensity, whether full-time or part-time.

"(III) Credential-seeking status, by credential level.

"(IV) Race or ethnicity (in accordance with section 153(a)(3)(B) of the Education Sciences Reform Act (20 U.S.C. 9543(a)(3)(B))).

"(V) Age intervals.

"(VI) Gender.

"(VII) Program of study (as applicable).

"(VIII) Military or veteran benefit status (as determined based on receipt of veteran's education benefits, as defined in section 480(c)).

"(IX) Status as a distance education student, whether exclusively or partially enrolled in distance education.

"(X) Federal Pell Grant and Federal loan recipient status, provided that the collection of such information complies with paragraph (1)(B).

"(D) OTHER DATA ELEMENTS.—

"(i) IN GENERAL.—The Commissioner may, after consultation with the Advisory Committee and provision of a public comment period, include additional data elements in the postsecondary student data system, such as those described in clause (ii), if those data elements—

"(I) are necessary to ensure that the postsecondary data system fulfills the purposes described in paragraph (1)(A); and

"(II) are consistent with data minimization principles, including the collection of only those additional elements that are necessary to ensure such purposes.

"(ii) DATA ELEMENTS.—The data elements described in clause (i) may include—

"(I) status as a first generation college student (as defined in section 402A(h));

"(II) economic status;

"(III) participation in postsecondary remedial coursework or gateway course completion; or

"(IV) other data elements that are necessary in accordance with clause (i).

"(E) REEVALUATION.—Not less than once every 3 years after the implementation of the postsecondary student data system described in this subsection, the Commissioner, in consultation with the Advisory Committee described in subparagraph (B), shall review the data elements included in the postsecondary student data system and may revise the data elements to be included in such system.

"(F) PROHIBITIONS.—The Commissioner shall not include individual health data (including data relating to physical health or mental health), student discipline records or data, elementary and secondary education data, an exact address, citizenship status, migrant status, or national origin status for students or their families, course grades, postsecondary entrance examination results, political affiliation, or religion in the postsecondary student data system under this subsection.

"(3) PERIODIC MATCHING WITH OTHER FEDERAL DATA SYSTEMS.—

"(A) DATA SHARING AGREEMENTS.—

"(i) The Commissioner shall ensure secure, periodic data matches by entering into data sharing agreements with each of the following Federal agencies and offices:

"(I) The Secretary of the Treasury and the Commissioner of the Internal Revenue Service, in order to calculate aggregate program- and institution-level earnings of postsecondary students.

"(II) The Secretary of Defense, in order to assess the use of postsecondary educational benefits and the outcomes of servicemembers.

"(III) The Secretary of Veterans Affairs, in order to assess the use of postsecondary educational benefits and outcomes of veterans.

"(IV) The Director of the Bureau of the Census, in order to assess the occupational and earnings outcomes of former postsecondary education students.

"(V) The Chief Operating Officer of the Office of Federal Student Aid, in order to analyze the use of postsecondary educational benefits provided under this Act.

"(ii) The heads of Federal agencies and offices described under clause (i) shall enter into data sharing agreements with the Commissioner to ensure secure, periodic data matches as described in this paragraph.

"(B) CATEGORIES OF DATA.—The Commissioner shall, at a minimum, seek to ensure that the secure periodic data system matches described in subparagraph (A) permit consistent reporting of the following categories of data for all postsecondary students:

"(i) Enrollment, retention, transfer, and completion outcomes for all postsecondary students.

"(ii) Financial indicators for postsecondary students receiving Federal grants and loans, including grant and loan aid by source, cumulative student debt, loan repayment status, and repayment plan.

"(iii) Post-completion outcomes for all postsecondary students, including earnings, employment, and further education, by program of study and credential level and as measured—

"(I) immediately after leaving postsecondary education; and

"(II) at time intervals appropriate to the credential sought and earned.

"(C) PERIODIC DATA MATCH STREAMLINING AND CONFIDENTIALITY.—

"(i) STREAMLINING.—In carrying out the secure periodic data system matches under this paragraph, the Commissioner shall—

"(I) ensure that such matches are not continuous, but occur at appropriate intervals, as determined by the Commissioner; and

"(II) seek to—

"(aa) streamline the data collection and reporting requirements for institutions of higher education;

"(bb) minimize duplicative reporting across or within Federal agencies or departments, including reporting requirements applicable to institutions of higher education under the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.) and the Carl D. Perkins Career and Technical Education Act of 2006;

"(cc) protect student privacy; and

"(dd) streamline the application process for student loan benefit programs available to borrowers based on data available from different Federal data systems.

"(ii) REVIEW.—Not less often than once every 3 years after the establishment of the postsecondary student data system under this subsection, the Commissioner, in consultation with the Advisory Committee, shall review methods for streamlining data collection from institutions of higher education and minimizing duplicative reporting within the Department and across Federal agencies that provide data for the postsecondary student data system.

"(iii) CONFIDENTIALITY.—The Commissioner shall ensure that any periodic matching or sharing of data through periodic data system matches established in accordance with this paragraph—

"(I) complies with the security and privacy protections described in paragraph (1)(C)(iv) and other Federal data protection protocols;

"(II) follows industry best practices commensurate with the sensitivity of specific data elements or metrics;

"(III) does not result in the creation of a single standing, linked Federal database at the Department that maintains the information reported across other Federal agencies; and

"(IV) discloses to postsecondary students what data are included in the data system and periodically matched and how the data are used.

"(iv) CORRECTION.—The Commissioner, in consultation with the Advisory Committee, shall establish a process for students to request access to only their personal information for inspection and request corrections to inaccuracies in a manner that protects the student's personally identifiable information. The Commissioner shall respond in writing to every request for a correction from a student.

"(4) PUBLICLY AVAILABLE INFORMATION.—

"(A) IN GENERAL.—The Commissioner shall make the summary aggregate information described in subparagraph (C), at a minimum, publicly available through a user-friendly consumer information website and analytic tool that—

"(i) provides appropriate mechanisms for users to customize and filter information by institutional and student characteristics;

"(ii) allows users to build summary aggregate reports of information, including reports that allow comparisons across multiple institutions and programs, subject to subparagraph (B);

"(iii) uses appropriate statistical disclosure limitation techniques necessary to ensure that the data released to the public cannot be used to identify specific individuals; and

"(iv) provides users with appropriate contextual factors to make comparisons, which may include national median figures of the summary aggregate information described in subparagraph (C).

"(B) NO PERSONALLY IDENTIFIABLE INFORMATION AVAILABLE.—The summary aggregate information described in this paragraph shall not include personally identifiable information.

"(C) SUMMARY AGGREGATE INFORMATION AVAILABLE.—The summary aggregate information described in this paragraph shall, at a minimum, include each of the following for each institution of higher education:

"(i) Measures of student access, including—

"(I) admissions selectivity and yield; and

"(II) enrollment, disaggregated by each category described in paragraph (2)(C)(ii).

"(ii) Measures of student progression, including retention rates and persistence rates, disaggregated by each category described in paragraph (2)(C)(ii).

"(iii) Measures of student completion, including—

"(I) transfer rates and completion rates, disaggregated by each category described in paragraph (2)(C)(ii); and

"(II) number of completions, disaggregated by each category described in paragraph (2)(C)(ii).

"(iv) Measures of student costs, including—

"(I) tuition, required fees, total cost of attendance, and net price after total grant aid, disaggregated by in-State tuition or in-district tuition status (if applicable), program of study (if applicable), and credential level; and

"(II) typical grant amounts and loan amounts received by students reported separately from Federal, State, local, and institutional sources, and cumulative debt, disaggregated by each category described in paragraph (2)(C)(ii) and completion status.

"(v) Measures of postcollegiate student outcomes, including employment rates, mean and median earnings, loan repayment and default rates, and further education rates. These measures shall—

"(I) be disaggregated by each category described in paragraph (2)(C)(ii) and completion status; and

"(II) be measured immediately after leaving postsecondary education and at time intervals appropriate to the credential sought or earned.

"(D) DEVELOPMENT CRITERIA.—In developing the method and format of making the information described in this paragraph publicly available, the Commissioner shall—

"(i) focus on the needs of the users of the information, which will include students, families of students, potential students, researchers, and other consumers of education data;

"(ii) take into consideration, to the extent practicable, the guidelines described in paragraph (1)(C)(ii)(I), and relevant successor documents or recommendations of such guidelines;

"(iii) use modern, relevant technology and enhance and update the postsecondary student data system with information, as necessary to carry out the purpose of this paragraph;

"(iv) ensure data privacy and security in accordance with standards and guidelines developed by the National Institute of Standards and Technology, and in accordance with any other Federal law relating to privacy or security, including complying with the requirements of subchapter II of chapter 35 of title 44, United States Code, specifying security categorization under the Federal Information Processing Standards, and security requirements, and setting of National Institute of Standards and Technology security baseline controls at the appropriate level; and

"(v) conduct consumer testing to determine how to make the information as meaningful to users as possible.

"(5) PERMISSIBLE DISCLOSURES OF DATA.—

"(A) DATA REPORTS AND QUERIES.—

"(i) IN GENERAL.—The Commissioner shall develop and implement a secure process for making student-level, non-personally identifiable information, with direct identifiers removed, from the postsecondary student data system available for vetted research and evaluation purposes approved by the Commissioner in a manner compatible with practices for disclosing National Center for Education Statistics restricted-use survey data as in effect on the day before the date of enactment of the College Affordability Act, or by applying other research and disclosure restrictions to ensure data privacy and security. Such process shall be

approved by the National Center for Education Statistics' Disclosure Review Board (or successor body).

"(ii) PROVIDING DATA REPORTS AND QUERIES TO INSTITUTIONS AND STATES.—

"(I) IN GENERAL.—The Commissioner shall provide feedback reports, at least annually, to each institution of higher education, each postsecondary education system that fully participates in the postsecondary student data system, and each State higher education body as designated by the governor.

"(II) FEEDBACK REPORTS.—The feedback reports provided under this clause shall include program-level and institution-level information from the postsecondary student data system regarding students who are associated with the institution or, for State representatives, the institutions within that State, on or before the date of the report, on measures including student mobility and workforce outcomes, provided that the feedback aggregate summary reports protect the privacy of individuals.

"(III) DETERMINATION OF CONTENT.—The content of the feedback reports shall be determined by the Commissioner, in consultation with the Advisory Committee.

"(iii) PERMITTING STATE DATA QUERIES.—The Commissioner shall, in consultation with the Advisory Committee and as soon as practicable, create a process through which States may submit lists of secondary school graduates within the State to receive summary aggregate outcomes for those students who enrolled at an institution of higher education, including postsecondary enrollment and college completion, provided that those data protect the privacy of individuals and that the State data submitted to the Commissioner are not stored in the postsecondary education system.

"(iv) REGULATIONS.—The Commissioner shall promulgate regulations to ensure fair, secure, and equitable access to data reports and queries under this paragraph.

"(B) DISCLOSURE LIMITATIONS.—In carrying out the public reporting and disclosure requirements of this subsection, the Commissioner shall use appropriate statistical disclosure limitation techniques necessary to ensure that the data released to the public cannot include personally identifiable information or be used to identify specific individuals.

"(C) SALE OF DATA PROHIBITED.—Data collected under this subsection, including the public-use data set and data comprising the summary aggregate information available under paragraph (4), shall not be sold to any third party by the Commissioner, including any institution of higher education or any other entity.

"(D) LIMITATION ON USE BY OTHER FEDERAL AGENCIES.—

"(i) IN GENERAL.—The Commissioner shall not allow any other Federal agency to use data collected under this subsection for any purpose except—

"(I) for vetted research and evaluation conducted by the other Federal agency, as described in subparagraph (A)(i); or

"(II) for a purpose explicitly authorized by this subsection.

"(ii) PROHIBITION ON LIMITATION OF SERVICES.—The Secretary, or the head of any other Federal agency, shall not use data collected under this subsection to limit services to students.

"(E) LAW ENFORCEMENT.—Personally identifiable information collected under this subsection shall not be used for any Federal, State, or local law enforcement activity or any other activity that would result in adverse action against any student or a student's family, including debt collection activity or enforcement of immigration laws.

"(F) LIMITATION OF USE FOR FEDERAL RANKINGS OR SUMMATIVE RATING SYSTEM.—The comprehensive data collection and analysis necessary for the postsecondary student data system under this subsection shall not be used by the Secretary or any Federal entity to establish any Federal ranking system of institutions of higher education or a system that results in a summative Federal rating of institutions of higher education.

"(G) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prevent the use of individual categories of aggregate information to be used for accountability purposes.

"(H) RULE OF CONSTRUCTION REGARDING COMMERCIAL USE OF DATA.—Nothing in this paragraph shall be construed to prohibit third-party entities

from using publicly-available information in this data system for commercial use.

"(6) SUBMISSION OF DATA.—

"(A) REQUIRED SUBMISSION.—Each institution of higher education participating in a program under title IV, or the assigned agent of such institution, shall, in accordance with section 487(a)(17), collect, and submit to the Commissioner, the data requested by the Commissioner to carry out this subsection.

"(B) VOLUNTARY SUBMISSION.—Any postsecondary institution not participating in a program under title IV may voluntarily participate in the postsecondary student data system under this subsection by collecting and submitting data to the Commissioner, as the Commissioner may request to carry out this subsection.

"(C) PERSONALLY IDENTIFIABLE INFORMATION.—In accordance with paragraph (2)(C)(i), if the submission of an element of student-level data is prohibited under paragraph (2)(F) (or otherwise prohibited by law), the institution of higher education shall submit that data to the Commissioner in the aggregate.

"(7) UNLAWFUL WILLFUL DISCLOSURE.—

"(A) IN GENERAL.—It shall be unlawful for any person who obtains or has access to personally identifiable information in connection with the postsecondary student data system described in this subsection to willfully disclose to any person (except as authorized by Federal law) such personally identifiable information.

"(B) PENALTY.—Any person who violates subparagraph (A) shall be subject to a penalty described under section 3572(f) of title 44, United States Code and section 183(d)(6) of the Education Sciences Reform Act of 2002 (20 U.S.C. 9573(d)(6)).

"(C) EMPLOYEE OF OFFICER OF THE UNITED STATES.—If a violation of subparagraph (A) is committed by any officer or employee of the United States, the officer or employee shall be dismissed from office or discharged from employment upon conviction for the violation.

"(8) DATA SECURITY.—The Commissioner shall produce and update as needed guidance and regulations relating to privacy, security, and access which shall govern the use and disclosure of data collected in connection with the activities authorized in this subsection. The guidance and regulations developed and reviewed shall protect data from unauthorized access, use, and disclosure, and shall include—

"(A) an audit capability, including mandatory and regularly conducted audits;

"(B) access controls;

"(C) requirements to ensure sufficient data security, quality, validity, and reliability;

"(D) student confidentiality protection in accordance with the Confidential Information Protection and Statistical Efficiency Act;

"(E) appropriate and applicable privacy and security protection, including data retention and destruction protocols and data minimization, in accordance with the most recent Federal standards developed by the National Institute of Standards and Technology; and

"(F) protocols for managing a breach, including breach notifications, in accordance with the standards of National Center for Education Statistics.

"(9) DATA COLLECTION.—The Commissioner shall ensure that data collection, maintenance, and use under this subsection complies with section 552a of title 5, United States Code.

"(10) DEFINITIONS.—In this subsection:

"(A) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 102.

"(B) PERSONALLY IDENTIFIABLE INFORMATION.—The term 'personally identifiable information' has the meaning given the term in section 444 of the General Education Provisions Act (20 U.S.C. 1232g).".

(b) EFFECTIVE DATE; TRANSITION PROVISIONS.—

(1) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect on the date that is 4 years after the date of enactment of this section.

(2) IN GENERAL.—The Secretary of Education and the Commissioner for Education Statistics shall take such steps as are necessary to ensure that the transition to, and implementation of, the postsecondary student data system required under section 132(l) of the Higher Education Act of 1965, as added by this section, is carried out in a manner that reduces the reporting burden for

entities that reported into the Integrated Postsecondary Education Data System (IPEDS).

SEC. 1023. AVOIDING DUPLICATIVE REPORTING.

Section 132 of the Higher Education Act of 1965 (20 U.S.C. 1015a), as amended by section 1022, is further amended by adding at the end the following:

"(n) AVOIDING DUPLICATIVE REPORTING.—If the Secretary determines that the same reporting or collection of data that is required under subsection (l) is required by another reporting or collection of data requirement under this Act (other than under subsection (l)), the Secretary may—

"(1) use the data reported or collected under subsection (l); and

"(2) waive the other reporting or collection of data requirement.".

SEC. 1024. DISCLOSURE OF NON-INSTRUCTIONAL SPENDING INCREASES.

Section 132 of the Higher Education Act of 1965 (20 9 U.S.C. 1015a), as amended by sections 1022 and 1023, is further amended by adding at the end the following:

"(o) NON-INSTRUCTIONAL SPENDING INCREASES.—The Secretary shall ensure, as part of the data collection and reporting under this section, that institutions of higher education with respect to which the amount expended by the institution for non-instructional spending increases by more than 5 percent (using year-over-year data) disclose such increase to students and prospective students, along with an analysis of the expected impact on tuition.".

SEC. 1025. TEXTBOOK INFORMATION.

Section 133 of the Higher Education Act of 1965 (20 U.S.C. 1015b) is amended—

(1) in subsection (a), by inserting ", including through the adoption of innovative tools," after "supplemental materials";

(2) in subsection (b)(9)—

(A) by striking "to accompany a" and inserting "to accompany or support a" in the matter preceding subparagraph (A); and

(B) in subparagraph (A), by striking "materials, computer disks, website access" and inserting "materials, online and digital learning platforms and materials, website access";

(3) in subsection (c)(1)(D)(i), by striking "paperback and unbound" and inserting "paperback, digital, and unbound"; and

(4) in subsection (f)—

(A) in paragraph (1), by inserting "accessing lower-cost digital course materials and digital textbooks," after "programs for"; and

(B) in paragraph (3), by inserting ", such as inclusive access programs, subscription models, or digital content distribution platforms" after "delivery programs".

SEC. 1026. REPEALS.

Sections 134 and 136 of the Higher Education Act of 1965 (20 U.S.C. 1015c) are repealed.

SEC. 1027. IN-STATE TUITION RATES FOR HOMELESS YOUTH AND FOSTER CARE YOUTH.

Section 135 of the Higher Education Act of 1965 (20 U.S.C. 1015d) is amended—

(1) in the section heading, by inserting "**, HOMELESS YOUTH, AND FOSTER CARE YOUTH**" after "**CHILDREN**";

(2) in subsection (a)—

(A) by striking "(a) REQUIREMENT.—In the case" and inserting the following:

"(a) REQUIREMENT.—

"(1) ARMED FORCES.—In the case"; and

(B) by adding at the end the following:

"(2) HOMELESS YOUTH AND FOSTER CARE YOUTH.—In the case of a homeless youth or a foster care youth, such State shall not charge such individual tuition for attendance at a public institution of higher education in the State at a rate that is greater than the rate charged for residents of the State."; and

(3) by striking subsections (c) and (d) and inserting the following:

"(c) EFFECTIVE DATE.—

"(1) ARMED FORCES.—With respect to an individual described in subsection (a)(1), this section shall remain in effect as it was in effect on the day before the date of enactment of the College Affordability Act.

"(2) HOMELESS YOUTH AND FOSTER CARE YOUTH.—With respect to an individual described in subsection (a)(2), this section shall take effect at each public institution of higher education in a State that receives assistance under this Act for the first period of enrollment at such institution that begins during the first full award year following the date of enactment of the College Affordability Act.

"(d) DEFINITIONS.—In this section:

"(1) ARMED FORCES.—The terms 'armed forces' and 'active duty for a period of more than 30 days' have the meanings given those terms in section 101 of title 10, United States Code.

"(2) HOMELESS YOUTH.—The term 'homeless youth' has the meaning given the term 'homeless children and youths' in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a).".

PART D—ADMINISTRATIVE PROVISIONS FOR DELIVERY OF STUDENT FINANCIAL ASSISTANCE

SEC. 1031. IMPROVEMENTS TO THE FEDERAL STUDENT AID OFFICE.

Section 141 of the Higher Education Act of 1965 (20 U.S.C. 1018) is amended—

(1) in subsection (a), by amending paragraph (2) to read as follows:

"(2) PURPOSES.—The purposes of the PBO are as follows:

"(A) To prioritize students and borrowers in the decision-making processes related to all aspects of the management and administration of the Federal student financial assistance programs authorized under title IV.

"(B) To improve service to students and other participants in the Federal student financial assistance programs authorized under title IV.

"(C) To make such programs more understandable to students and their families.

"(D) To increase the efficiency and effectiveness of such programs for students and their families.

"(E) To manage the costs of administering such programs.

"(F) To increase the accountability of the officials responsible for administering the operational aspects of such programs.

"(G) To oversee institutions, contractors, and third party servicers that participate in the Federal student financial assistance programs authorized under title IV.

"(H) To provide greater flexibility in the management and administration of such programs.

"(I) To implement open, common, integrated systems for the delivery of Federal student financial assistance programs authorized under title IV.

"(J) To develop and maintain a student financial assistance system that contains complete, accurate, and timely data to ensure program integrity.

"(K) To increase transparency in the operations and outcomes of Federal student financial assistance programs authorized under title IV.";

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(ii) by inserting after subparagraph (A) the following:

"(B) implement oversight and accountability measures to ensure that the PBO carries out its duties under this section efficiently, effectively, and in a manner that accomplishes the purposes specified in subsection (a)(2);";

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) by redesignating clauses (ii) through (vi) as clauses (iii) through (vii);

(II) by inserting after clause (i) the following:

"(ii) in accordance with paragraph (3), the collection, publication, and sharing of aggregate and longitudinal data that may be used to evaluate Federal student financial assistance programs authorized under title IV, including the outcomes such programs achieve;"; and

(III) in clause (vii), as so redesignated, by inserting ", including oversight of institutions, contractors, and third party servicers that participate in such programs" after "title IV"; and

(ii) by adding at the end the following:

"(C) Taking action to prevent and address the improper use of access devices, as described in section 485B(d)(7), including by—

"(i) detecting common patterns of improper use of any system that processes payments on Federal Direct Loans or other Department information technology systems;

"(ii) maintaining a reporting system for contractors involved in the processing of payments on Federal Direct Loans in order to allow those contractors to alert the Secretary of potentially improper use of Department information technology systems;

"(iii) proactively contacting Federal student loan borrowers whose Federal student loan accounts demonstrate a likelihood of improper use in order to warn those borrowers of suspicious activity or potential fraud regarding their Federal student loan accounts; and

"(iv) providing clear and simple disclosures in communications with borrowers who are applying for or requesting assistance with Federal Direct Loan programs (including assistance or applications regarding income-driven repayment, forbearance, deferment, consolidation, rehabilitation, cancellation, and forgiveness) to ensure that borrowers are aware that the Department will never require borrowers to pay for such assistance or applications.";

(C) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively; and

(D) by inserting after paragraph (2) the following:

"(3) COLLECTION, SHARING, AND PUBLICATION OF DATA.—

"(A) COLLECTION.—The PBO shall collect student-level data that shall be used to evaluate Federal student financial assistance programs authorized under title IV.

"(B) SHARING WITH NCES.—The PBO shall make the data collected under subparagraph (A) available to the Commissioner of the National Center for Education Statistics for purposes of research and policy analysis.

"(C) RESEARCH.—The Commissioner of the National Center for Education Statistics shall ensure the data shared under subparagraph (B) is made available, with direct identifiers removed and with appropriate restrictions to ensure data privacy and security, for vetted research and evaluation purposes in a manner consistent with the process under section 132(l)(5)(A)(i).

"(D) PUBLICATION.—Not less frequently than once annually, the PBO shall—

"(i) aggregate the data collected under subparagraph (A) in a manner that excludes—

"(I) student-level data; or

"(II) any data that would reveal personally identifiable information about an individual student; and

"(ii) make available such aggregated data on a publicly accessible website of the Department in a format that enables members of the public to easily retrieve, sort, and analyze the data.".

(3) by amending subsection (c) to read as follows:

"(c) PERFORMANCE PLAN, REPORT, AND BRIEFING.—

"(1) PERFORMANCE PLAN.—

"(A) IN GENERAL.—Not later than one year after the date of the enactment of the College Affordability Act, and not less than once every five years thereafter, the Secretary and Chief Operating Officer shall agree on a performance plan for the PBO for the succeeding 5 years that—

"(i) establishes measurable quantitative and qualitative goals and objectives for the organization; and

"(ii) aligns such goals and objectives with the purposes specified in subsection (a)(2).

"(B) CONSULTATION.—In developing the five-year performance plan and any revision to the plan, the Secretary and the Chief Operating Officer shall consult with students, institutions, Congress, contractors, the Borrower Advocate, student aid experts, including consumer advocacy and research groups, the Director of the Bureau of Consumer Financial Protection, State attorneys general, and other relevant parties.

"(C) REVISIONS.—The Secretary and Chief Operating Officer may annually update the plan under paragraph (1) to incorporate the recommendations made pursuant to the consultation required under subparagraph (B) that are accepted by the Secretary and the Chief Operating Officer.

"(D) AREAS.—The plan developed under subparagraph (A) shall address the responsibilities of the PBO in the following areas:

"(i) Improving service to students and other participants in the Federal student financial assistance programs authorized under title IV, including making those programs more understandable and accessible to students and their families.

"(ii) Managing the costs and increasing the efficiency of such programs.

"(iii) Improving, integrating, and investing in the systems that support such programs.

"(iv) Developing open, common, and integrated systems for such programs.

"(v) The collection, publication, and sharing of data on such programs as described in subsection (b)(3).

"(vi) Improving performance standards and outcomes with respect to institutions, contractors, and third party servicers that act as agents of the Department or as agents of institutions that participate in such programs.

"(vii) Any other areas identified by the Secretary.

"(E) PUBLIC AVAILABILITY.—Each plan developed under subparagraph (A) shall be made available on a publicly accessible website of the Department of Education.

"(2) ANNUAL REPORT.—

"(A) REPORT REQUIRED.—Not later than one year after the date of the enactment of the College Affordability Act and annually thereafter, the Secretary, acting through the Chief Operating Officer, shall submit to Congress an annual report on the performance of the PBO.

"(B) CONTENTS.—The annual report shall include the following:

"(i) An evaluation of the extent to which the PBO met the goals and objectives contained in the five-year performance plan described in paragraph (1) for the preceding year.

"(ii) A summary of the consultation process under paragraph (1)(B) for the preceding year, including the recommendations that were accepted or denied by the Chief Operating Officer during such year, and the rationale for accepting or denying such recommendations.

"(iii) An independent financial audit of the expenditures of both the PBO and the programs administered by the PBO.

"(iv) A summary of the actions taken by the PBO to address—

"(I) the findings of the audit described in clause (iii); and

"(II) consumer feedback.

"(v) Financial and performance requirements applicable to the PBO under—

"(I) the Chief Financial Officers Act of 1990 (Public Law 101–576); or

"(II) the Government Performance and Results Act of 1993 (Public Law 103–62).

"(vi) The results achieved by the PBO during the preceding year and whether such results met the goals specified in the performance plan under paragraph (1).

"(vii) With respect to the preceding year, the evaluation rating of the performance of the Chief Operating Officer and senior managers under subsections (d)(5) and (e)(2), including the amounts of bonus compensation awarded to the Chief Operating Officer and senior managers.

"(viii) Recommendations for legislative and regulatory changes to improve service to students and their families, and to improve the efficiency and integrity of Federal student financial assistance programs authorized under title IV.

"(ix) Financial statements that provide a rationale for appropriately funding the activities of the PBO.

"(x) A summary of the management and compliance of contractors managed by the PBO in the preceding year, including corrective actions taken by the PBO with respect to such contractors.

"(xi) A description of how the PBO used the authority under paragraph (5) of subsection (b) for making personnel and procurement decisions in the preceding year, including the number of individuals hired through such authority and the bonuses provided to staff during such year.

"(xii) A summary of the oversight activities of institutions, contractors, and third party servicers that participate in the Federal student financial assistance programs authorized under title IV including—

"(I) fines levied on such institutions, contractors, and third party servicers, disaggregated by entity;

"(II) instances of fraud or misrepresentation by such institutions, contractors, or third party servicers; and

"(III) violations of provisions in this Act by such institutions, contractors, or third party servicers disaggregated by entity and type of violation.

"(xiii) A summary of any improvements made with respect to transparency and any new types of data made available in the preceding year.

"(xiv) A description of the progress made in the preceding year towards the specific measurable organization and individual goals specified in subsection (d)(5)(A).

"(xv) The report submitted to the Secretary under subsection (f)(7).

"(xvi) Other such information as the Director of the Office of Management and Budget shall prescribe for performance based organizations.

"(3) CONSULTATION WITH STAKEHOLDERS.—The Chief Operating Officer, in preparing the annual report described in paragraph (2), shall establish appropriate means to consult with students, borrowers, institutions, student aid experts, including consumer advocacy and research groups, the Director of the Bureau of Consumer Financial Protection, and others involved in the delivery and evaluation of student aid under title IV—

"(A) regarding the degree of satisfaction with the delivery system; and

"(B) to seek suggestions on means to improve the performance of the delivery system.

"(4) BRIEFING ON ENFORCEMENT OF PROGRAM INTEGRITY.—The Secretary shall, at the request of the authorizing committees, provide to the authorizing committees a briefing on the steps the Department of Education has taken to ensure—

"(A) the experiences of students and borrowers are accounted for in decision making; and

"(B) that contractors, lenders, and guaranty agencies and third party servicers are adhering to the requirements of title IV, the terms of any contract with the Secretary, consumer protection laws, Federal regulations and guidelines, and directives of the PBO.

"(5) COORDINATION WITH THE DIRECTOR OF THE BUREAU OF CONSUMER FINANCIAL PROTECTION.—Not later than 180 days after the date of the enactment of the College Affordability Act, the Secretary shall enter into a memorandum of understanding with the Private Education Loan Ombudsman in accordance with section 1035(c)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5535(c)(2)).".

(4) in subsection (d)—

(A) in paragraph (1), by striking "management ability" and all that follows through the period at the end and inserting "management ability, including contractor management, expertise in the Federal student financial assistance programs authorized under title IV, experience with financial systems, and knowledge of consumer financial protection laws, and without regard to political affiliation or activity.";

(B) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6);

(C) by inserting after paragraph (1) the following:

"(2) RESTRICTIONS.—

"(A) PRESERVICE AND IN-SERVICE RESTRICTIONS.—An individual may not serve as the Chief Operating Officer if such individual—

"(i) is employed by, or has a financial interest in, an entity that contracts with the PBO; or

"(ii) was employed by, or had a financial interest in, any such entity in any of the five years preceding the date of the individual's appointment as the Chief Operating Officer.

"(B) POSTSERVICE RESTRICTIONS.—An individual who served as the Chief Operating Officer may not accept employment with an entity that contracts with the PBO until a period of five years has elapsed following the date on which such individual's service as the Chief Operating Officer terminated.";

(D) in paragraph (5), as so redesignated—

(i) in subparagraph (A)—

(I) by inserting "specific" before "measurable"; and

(II) by inserting "and metrics used to measure progress toward such goals" before the period; and

(ii) in subparagraph (B), by inserting "on the website of the Department" before the period;

(E) in paragraph (6), as so redesignated, by amending subparagraph (B) to read as follows:

"(B) BONUS AUTHORIZED.—The Secretary may pay to the Chief Operating Officer a bonus in an amount that does not exceed 50 percent of such annual rate of basic pay. The decision to pay such a bonus, and the amount of the bonus, shall be based solely on the Secretary's evaluation of the performance of the Chief Operating Officer with respect to the goals set forth in the performance agreement as described in paragraph (5)(A).";

(5) in subsection (e)(2), by striking "measurable organization and individual goals" and inserting "specific, measurable organization and individual goals and the metrics used to measure progress toward such goals. Performance agreements for senior management responsible for procurement shall include metrics that measure ability to oversee contractors";

(6) by amending subsection (f) to read as follows:

"(f) BORROWER ADVOCATE.—

"(1) IN GENERAL.—There is established in the PBO an 'Office of the Borrower Advocate' (referred to in this subsection as the 'Office'). The function of the Office shall be to provide timely assistance to borrowers of loans made, insured, or guaranteed under title IV by performing the duties described in paragraph (6).

"(2) HEAD OF OFFICE.—There shall be an official known as the 'Borrower Advocate' who shall serve as the head of the Office. The Borrower Advocate shall be appointed by the Secretary from among individuals who have worked closely with the Federal student loan programs authorized under title IV.

"(3) REMOVAL.—The Borrower Advocate may be removed only by the Secretary who shall communicate the reasons for any such removal to the authorizing committees.

"(4) RESTRICTIONS.—

"(A) PRESERVICE AND IN-SERVICE RESTRICTIONS.—An individual may not serve as the Borrower Advocate if such individual—

"(i) is employed by, or has a financial interest in, an entity that contracts with the PBO; or

"(ii) was employed by, or had a financial interest in, any such entity in any of the five years preceding the date of the individual's appointment as the Borrower Advocate.

"(B) POSTSERVICE RESTRICTIONS.—An individual who served as the Borrower Advocate may not accept employment with an entity that contracts with the PBO until a period of five years has elapsed following the date on which such individual's service as the Borrower Advocate terminated.

"(5) STAFF.—The Office shall be staffed sufficiently to carry out the responsibilities of the Office under this subsection.

"(6) DUTIES OF THE BORROWER ADVOCATE.—The Office of the Borrower Advocate shall—

"(A) assist borrowers of loans made, insured, or guaranteed under title IV in resolving problems with the PBO and its contractors or other agents, including by—

"(i) receiving and reviewing complaints of such problems from borrowers;

"(ii) working to resolve such complaints in a manner that is in the best interests of borrowers; and

"(iii) transmitting such complaints to States and recognized accrediting agencies or associations, as appropriate.

"(B) attempt to resolve complaints within the Department of Education and with institutions of higher education, lenders, guaranty agencies, loan servicers, and other participants in the Federal student loan programs authorized under title IV in a manner that will improve the experience of the borrower;

"(C) conduct impartial reviews regarding a student's independence under subparagraph (B) or (H) of section 480(d)(1), in consultation with knowledgeable parties, including institutions of higher education, child welfare agencies, local educational agency liaisons for homeless individuals designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii)), or State Coordinators for Education of Homeless Children and Youth established in accordance with section 722 of such Act (42 U.S.C. 11432);

"(D) compile and analyze data on borrower complaints and share such data with the Director of the Bureau of Consumer Financial Protection;

"(E) publish, with any personally identifiable information redacted, such complaints and responses of the Secretary to such complaints on the website of the Department; and

"(F) make appropriate recommendations to Congress, the Chief Operating Officer, and Secretary with respect to Federal student loan programs authorized under title IV and the experiences of borrowers in repayment of loans under such programs.

"(7) PUBLIC INFORMATION.—The Chief Operating Officer shall establish and maintain a public page on the website of the Department of Education exclusively to provide members of the public with information about the role of the

PBO with respect to the oversight of institutions of higher education, lenders, guaranty agencies, contractors that contract with the PBO, subcontractors of such contractors, and third party servicers.

"(8) REPORT.—On an annual basis, the Borrower Advocate shall submit to the Chief Operating Officer a report on the activities of the Office during the preceding year that—

"(A) identifies the activities carried out by the Borrower Advocate;

"(B) summarizes the complaints received from borrowers, including the number of such complaints, and explains the activities undertaken by the PBO to address such complaints;

"(C) proposes changes in the administrative practices of the PBO to mitigate problems experienced by borrowers; and

"(D) identifies potential legislative changes which may be appropriate to mitigate such problems.";

(7) by redesignating subsection (i) as subsection (j); and

(8) by inserting after subsection (h) the following:

"(i) ENFORCEMENT UNIT.—

"(1) IN GENERAL.—Not later than 180 days after the date of enactment of the College Affordability Act, the Secretary shall establish within the PBO an enforcement unit (referred to in this section as the 'Unit') to review and investigate violations of this Act and recommend enforcement actions in accordance with paragraph (3).

"(2) CHIEF ENFORCEMENT OFFICER.—

"(A) APPOINTMENT.—The Secretary shall appoint an official to be known as the 'Chief Enforcement Officer' who shall serve as the head of the Unit. The Secretary shall appoint an individual to serve as the Chief Enforcement Officer solely on the basis of such individual's integrity and expertise in law and investigations and without regard to such individual's political affiliation.

"(B) AUTHORITY.—The Chief Enforcement Officer shall report directly to the Secretary without being required to report through any other official of the Department of Education.

"(C) TERM.—The Chief Enforcement Officer shall be appointed for a term of 6 years and may be reappointed for additional terms of 6 years at the discretion of the Secretary.

"(D) REMOVAL.—

"(i) IN GENERAL.—The Chief Enforcement Officer may not be removed during the Officer's term except for cause.

"(ii) NOTICE TO CONGRESS.—If the Secretary removes the Chief Enforcement Officer before the expiration of the Officer's term, the Secretary shall submit to the authorizing committees a report that explains the reasons for such removal. The report shall be submitted to the authorizing committees not later than 30 days after the date on which the removal takes effect.

"(3) DUTIES.—The Chief Enforcement Officer shall have the following duties:

"(A) Receive, process, and analyze allegations that a covered entity has violated Federal law or has engaged in unfair, deceptive, or abusive practices.

"(B) Review and investigate such allegations or refer such allegations to an entity described in subparagraphs (A) through (E) of paragraph (6).

"(C) After reviewing and investigating an allegation under subparagraph (B), in consultation with the Chief Operating Officer—

"(i) if the covered entity subject to such allegation is an entity described in clause (i) or (iii) of paragraph (8)(A), make recommendations with respect to such covered entity, including—

"(I) whether such covered entity should be limited, suspended, or terminated from participation in one or more programs under title IV;

"(II) whether such covered entity should be subject to an emergency action under section 487(c)(1)(G);

"(III) whether such covered entity should be subject to a civil penalty described in section 487(c)(3)(B);

"(IV) whether such covered entity should be subject to a criminal penalty described in section 490; or

"(V) whether such covered entity should be subject to a combination of any of the actions described in subclauses (I) though (IV);

"(ii) if the covered entity subject to such allegation is an entity described in clause (ii) of paragraph (8)(A), make recommendations with respect to such covered entity, including whether such covered entity

should be limited, suspended, or terminated from administering or providing services with respect to one or more programs under title IV; and

"(iii) provide the Secretary with such recommendations.

"(4) SECRETARIAL REVIEW AND ACTION.—After receiving notice of a determination of the Chief Enforcement Officer under paragraph (3)(C), the Secretary shall decide whether or not to pursue enforcement action against the entity concerned, in accordance with the procedures established under section 487(c)(3). In a case in which the Chief Enforcement Officer recommends enforcement action against an entity, but the Secretary decides not to pursue such enforcement action, the Secretary shall notify the Chief Enforcement Officer, in writing, of the rationale for such decision.

"(5) COORDINATION AND STAFFING.—The Chief Enforcement Officer shall—

"(A) coordinate with relevant Federal and State agencies and oversight bodies; and

"(B) hire staff with the expertise necessary to conduct investigations, respond to allegations against covered entities, and enforce compliance with laws governing Federal student financial assistance programs under title IV.

"(6) INFORMATION SHARING.—The Chief Enforcement Officer shall develop and implement a process for sharing relevant information about allegations against covered entities with—

"(A) the Borrower Advocate appointed under subsection (f);

"(B) personnel of the Department on responsible for processing borrower defense claims submitted under section 493H;

"(C) other relevant Federal agencies;

"(D) States, including State law enforcement and regulatory agencies; and

"(E) recognized accrediting agencies or associations.

"(7) REPORT TO CONGRESS.—On an annual basis, the Chief Enforcement Officer shall submit to the authorizing committees a report that includes—

"(A) the number of allegations about covered entities received by Unit in the year covered by the report;

"(B) the number of such allegations investigated by the Unit;

"(C) the number of such allegations that were referred to the Secretary under paragraph (3)(C) and a summary of any action taken by the Secretary with respect to such allegations;

"(D) the number of such allegations that were referred to other Federal agencies and the names of the agencies to which the allegations were referred; and

"(E) the number of such allegations that remain under review or investigation as of the date of the report.

"(8) DEFINITIONS.—In this subsection:

"(A) COVERED ENTITY.—In this subsection, the term 'covered entity' means—

"(i) an institution of higher education (as defined in section 102) that participates in the Federal student financial assistance programs authorized under title IV;

"(ii) a contractor that contracts with the PBO to provide services relating to such programs, or a subcontractor of such contractor; or

"(iii) a third party servicer.

"(B) THIRD PARTY SERVICER.—the term 'third party servicer' has the meaning given that term in section 481(c).".

TITLE II—TEACHER QUALITY ENHANCEMENT

PART A—TEACHER AND SCHOOL LEADER QUALITY PARTNERSHIP GRANTS

SEC. 2001. DEFINITIONS.

Section 200 of the Higher Education Act of 1965 (20 U.S.C. 1021) is amended to read as follows:

"SEC. 200. DEFINITIONS.

"Except as otherwise provided, in this title:

"(1) ARTS AND SCIENCES.—The term 'arts and sciences' means—

"(A) when referring to an organizational unit of an institution of higher education, any academic unit that offers one or more academic majors in

disciplines or content areas corresponding to the academic subject matter areas in which teachers provide instruction; and

"(B) when referring to a specific academic subject area, the disciplines or content areas in which academic majors are offered by the arts and sciences organizational unit.

"(2) BLENDED LEARNING.—The term 'blended learning' has the meaning given the term in section 4102 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7112).

"(3) CHILDREN FROM LOW-INCOME FAMILIES.—The term 'children from low-income families' means children described in section 1124(c)(1)(A) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333(c)(1)(A)).

"(4) COMPREHENSIVE LITERACY INSTRUCTION.—The term 'comprehensive literacy instruction' has the meaning given the term in section 2221(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6641(b)(1)).

"(5) DIGITAL LEARNING.—The term 'digital learning' has the meaning given the term in section 4102 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7112).

"(6) DIVERSE TEACHER CANDIDATES.—The term 'diverse teacher candidates' means teacher candidates who are—

"(A) members of racial and ethnic groups underrepresented in the teaching profession; or

"(B) linguistically and culturally prepared to educate students in high-need schools.

"(7) EARLY CHILDHOOD EDUCATOR.—The term 'early childhood educator' means an individual with primary responsibility for the education of children in an early childhood education program.

"(8) EDUCATIONAL SERVICE AGENCY.—The term 'educational service agency' has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(9) EDUCATOR.—The term 'educator' means a teacher, principal or other school leader, specialized instructional support personnel, or other staff member who provides or directly supports instruction, such as a school librarian, counselor, or paraprofessional.

"(10) ELIGIBLE PARTNERSHIP.—The term 'eligible partnership' means an entity—

"(A) that—

"(i) shall include—

"(I) a high-need local educational agency;

"(II)(aa) a high-need school or a consortium of high-need schools served by such high-need local educational agency; or

"(bb) as applicable, a high-need early childhood education program;

"(III) a partner institution;

"(IV) a school, department, or program of education within such partner institution, which may include an existing teacher professional development program with proven outcomes within a four-year institution of higher education that provides intensive and sustained collaboration between faculty and local educational agencies consistent with the requirements of this title; and

"(V) a school or department of arts and sciences within such partner institution; or

"(ii) shall include—

"(I)(aa) a partner education institution;

"(bb) a school, department, or program of education within such partner institution, which may include an existing teacher professional development program with proven outcomes within a four-year institution of higher education that provides intensive and sustained collaboration between faculty and local educational agencies consistent with the requirements of this title; or

"(cc) a school or department of arts and sciences within such partner institution; and

"(II) a State educational agency that will serve to place graduates of partnership programs into high-need local educational agencies, schools, or early childhood programs, or schools that have been identified for comprehensive support and improvement under section 1111(d)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(d)(2)); and

"(B) that may include any of the following:

"(i) The Governor of the State.

"(ii) The State educational agency.
"(iii) The State board of education.
"(iv) The State agency for higher education.
"(v) A public or private nonprofit educational organization.
"(vi) An educational service agency.
"(vii) A public school teacher, principal, or school leader organization.
"(viii) A high-performing local educational agency, or a consortium of such local educational agencies, that can serve as a resource to the partnership.
"(ix) A charter school (as defined in section 4310 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7221i)).
"(x) A school or department within the partner institution that focuses on psychology and human development.
"(xi) A school or department within the partner institution for teacher or school leader preparation with comparable expertise in the disciplines of teaching, learning, and child and adolescent development.
"(xii) An entity operating a program that provides alternative routes to State certification of teachers or principals.

"(11) ENGLISH LEARNER.—The term 'English learner' has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(12) EVIDENCE-BASED.—The term 'evidence-based' has the meaning given the term in subclauses (I) and (II) of section 8101(21)(A)(i) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(21)(A)).

"(13) EVIDENCE OF STUDENT LEARNING.—The term 'evidence of student learning' means multiple measures of student learning that include the following:

"(A) Valid and reliable student assessment data, which may include data—
"(i) on student learning gains on statewide academic assessments under section 1111(b)(2) of the Elementary and Secondary Education Act of 1965;
"(ii) from student academic achievement assessments used at the national, State, or local levels, where available and appropriate for the curriculum and students taught;
"(iii) from classroom-based summative assessments; and
"(iv) from high quality validated performance-based assessments that are aligned with challenging State academic standards adopted under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1)).

"(B) Not less than one of the following additional measures:
"(i) Student work, including measures of performance criteria and evidence of student growth.
"(ii) Teacher-generated information about student goals and growth.
"(iii) Parental feedback about student goals and growth.
"(iv) Student feedback about learning and teaching supports.
"(v) Assessments of affective engagement and self-efficacy.
"(vi) Other appropriate measures, as determined by the State.

"(14) FOSTER CARE.—
"(A) IN GENERAL.—The term 'foster care' means 24-hour substitute care for a child placed away from the child's parents or guardians and for whom the State agency has placement and care responsibility. The term includes care through a placement in a foster family home, a foster home of a relative, a group home, an emergency shelter, a residential facility, a child care institution, or a pre-adoptive home.
"(B) RULE.—A child shall be considered to be in foster care under subparagraph (A) without regard to whether—
"(i) the foster care facility is licensed and payments are made by the State or local agency for the care of the child;
"(ii) adoption subsidy payments are being made prior to the finalization of an adoption; or
"(iii) Federal matching funds for any payments described in clause (i) or (ii) are being made.

"(15) HIGH-NEED EARLY CHILDHOOD EDUCATION PROGRAM.—The term 'high-need early childhood education program' means an early childhood education program serving children from low-income families that is located within the geographic area served by a high-need local educational agency.

"(16) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term 'high-need local educational agency' means a local educational agency—

"(A)(i) that serves not fewer than 10,000 low-income children;

"(ii) for which not less than 40 percent of the children served by the agency are low-income children;

"(iii) that meets the eligibility requirements for funding under the Small, Rural School Achievement Program under section 5211(b) of the Elementary and Secondary Education Act of 1965 or the Rural and Low-Income School Program under section 6221(b) of such Act; or

"(iv) that has a percentage of low-income children that is in the highest quartile among such agencies in the State; and

"(B)(i) for which a significant number of schools served by the agency is identified by the State for comprehensive supports and interventions under section 1111(c)(4)(D)(i) of the Elementary and Secondary Education Act of 1965; or

"(ii) for which a significant number of schools served by the agency has a high teacher turnover rate or is experiencing a teacher shortage in a high-needs field, as determined by the State.

"(17) HIGH-NEED SCHOOL.—

"(A) IN GENERAL.—The term 'high-need school' means a school that, based on the most recent data available, is—

"(i) an elementary school, in which not less than 60 percent of students are eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act;

"(ii) any other school that is not an elementary school, in which not less than 45 percent of students are eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.); or

"(iii) identified for comprehensive support and improvement under section 1111(c)(4)(D) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(c)(4)(D)), targeted support and improvement under section 1111(d)(2) of such Act (20 U.S.C. 6311(d)(2)), or additional targeted support under section 1111(d)(2)(C) of such Act (20 U.S.C. 6311(d)(2)(C)).

"(B) SPECIAL RULE.—

"(i) DESIGNATION BY THE SECRETARY.—The Secretary may, upon approval of an application submitted by an eligible partnership seeking a grant under this title, designate a school that does not qualify as a high-need school under subparagraph (A) as a high-need school for the purpose of this title. The Secretary shall base the approval of an application for designation of a school under this clause on a consideration of the information required under clause (ii), and may also take into account other information submitted by the eligible partnership.

"(ii) APPLICATION REQUIREMENTS.—An application for designation of a school under clause (i) shall include—

"(I) the number and percentage of students attending such school who are—

"(aa) aged 5 through 17 in poverty counted in the most recent census data approved by the Secretary;

"(bb) eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act;

"(cc) in families receiving assistance under the State program funded under part A of title IV of the Social Security Act; or

"(dd) eligible to receive medical assistance under the Medicaid program;

"(II) information about the student academic achievement of students at such school; and

"(III) for a secondary school, the four-year adjusted cohort graduation rate for such school.

"(18) HIGHLY COMPETENT.—The term 'highly competent', when used with respect to an early childhood educator, means an early childhood educator—

"(A) with specialized education and training in development and education of young children from birth until entry into kindergarten or a specialization in infants and toddlers or pre-school children;

"(B) with a baccalaureate degree in an academic major in an early childhood or related field; and

"(C) who has demonstrated a high level of knowledge and use of content and pedagogy in the relevant areas associated with quality early childhood education.

"(19) HOMELESS CHILD.—The term 'homeless child' means an individual who is a homeless child or youth under section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a).

"(20) INDUCTION PROGRAM.—The term 'induction program' means a formalized program for new teachers, principals, or school leaders, during not less than the teachers', principals, or school leaders' first 2 years of, respectively, teaching or leading, that is designed to provide support for, and improve the professional performance and increase the retention in the education field of, beginning teachers, principals, or school leaders. Such program shall promote effective teaching or leadership skills and shall include the following components:

"(A) High-quality and structured teacher or school leader mentoring led by a trained and expert mentor who has demonstrated high skill and effectiveness and who teaches or leads, or has taught or led, in the same or similar field, grade, or subject as the mentee.

"(B) Periodic, structured time for collaboration, including with mentors, as well as time for information-sharing among teachers, principals, other school leaders and administrators, other appropriate instructional staff, and participating faculty or program staff in the partner institution.

"(C) The application of evidence-based instructional practices.

"(D) Opportunities for new teachers, principals, or school leaders to draw directly on the expertise of mentors, faculty or program staff, and researchers, including through mentor observation and feedback, to support the integration of evidence-based research and practice.

"(E) The development of skills in evidence-based instructional and behavioral supports and interventions.

"(F) Programs to support the health and well-being of teachers, particularly in high-need schools or high-need local educational agencies. These may include programs that focus on social emotional learning, organizational interventions, workplace wellness, and stress management.

"(G) Faculty or program staff who—

"(i) model the integration of research and practice in the classroom and school; and

"(ii) assist new teachers or school leaders with the effective use and integration of educational and accessible technology and universal design for learning into the classroom or school.

"(H) Interdisciplinary collaboration among teacher leaders or school leaders, faculty or program staff, researchers, and other staff who prepare new teachers or school leaders with respect to, as applicable, the learning process, the assessment of learning, or the leadership of a school.

"(I) As applicable to the role, assistance with understanding of the effective use of data, particularly student achievement data, and the applicability of such data to inform and improve classroom instruction and school leadership.

"(J) Regular and structured observation and evaluation of new teachers, principals, or other school leaders that are based in part on evidence of student learning, shall include multiple measures of educator performance, and shall provide clear, timely, and useful feedback to teachers, principals, or other school leaders to be used to improve instruction, as applicable.

"(K) With respect to a principal induction program, the development of local-educational-agency-wide systems such as rigorous leader standards, continuous ongoing identification of goals for improvement, and support for achieving those goals.

"(L) The development of skills in improving the school culture and climate related to school leadership and the role of the principal, including to—

"(i) nurture teacher and staff development to strengthen classroom practice;

"(ii) support teacher health and well-being, including through programs that focus on social emotional learning, organizational interventions, workplace wellness, and stress management;

"(iii) build and sustain an inclusive culture of learning among adults and children;

"(iv) strengthen communications and relationships with teachers, parents, caregivers, paraprofessionals, and community stakeholders;

"(v) facilitate the sharing of knowledge, insight, and best practices in the community served by the school, preschool program, or early childhood education program, including with youth serving programs (such as before- and after-school and summer programs); and

"(vi) build relationships and communicate effectively with State and local educational agency officials.

"(21) INFANT OR TODDLER WITH A DISABILITY.—The term 'infant or toddler with a disability' has the meaning given the term in section 632 of the Individuals with Disabilities Education Act (20 U.S.C. 1432).

"(22) MENTORING.—The term 'mentoring' means the mentoring or coaching of new or prospective teachers, principals, or school leaders through a program that—

"(A) includes clear criteria for the selection of teacher, principal, or school leader mentors who may be program staff and who will provide role model relationships for mentees, which criteria shall be developed by the eligible partnership and based on measures of teacher or school leader effectiveness;

"(B) provides high-quality training for such mentors, including instructional strategies for culturally relevant teaching practices, literacy instruction and classroom management (including approaches that improve the schoolwide climate for learning, create inclusive classroom environments, and address the social and emotional needs of students, which may include positive behavioral interventions and supports);

"(C) provides regular and ongoing opportunities for mentors and mentees to observe each other's teaching or leading methods in classroom or school settings during the day in a high-need school in the high-need local educational agency in the eligible partnership;

"(D) provides paid release time for mentors;

"(E) for teachers, provides mentoring to each mentee by a colleague who teaches in the same field, grade, or subject as the mentee;

"(F) for teachers, promotes empirically-based practice of, and evidence-based research on, where applicable—

"(i) teaching and learning;

"(ii) assessment of student learning;

"(iii) the development of teaching skills through the use of instructional and behavioral interventions, including trauma-informed practices; and

"(iv) the improvement of the mentees' capacity to measurably advance student learning; and

"(G) includes—

"(i) common planning time or regularly scheduled collaboration for the mentor and mentee; and

"(ii) as applicable, joint professional development opportunities.

"(23) PARENT.—The term 'parent' has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(24) PARTNER INSTITUTION.—The term 'partner institution' means an institution of higher education, which may include a 2-year institution of higher education offering a dual program with a 4-year institution of higher education, participating in an eligible partnership that has a teacher or school leader preparation program that is accredited by the State—

"(A) in the case of a teacher preparation program—

"(i) whose graduates exhibit strong performance on State-determined qualifying assessments for new teachers through—

"(I) demonstrating that 80 percent or more of the graduates of the program who intend to enter the field of teaching have passed all of the applicable State qualification assessments for new teachers, which shall include an assessment of each prospective teacher's subject matter knowledge in the content area in which the teacher intends to teach; or

"(II) that is not designated as a low-performing teacher preparation program in the State as determined by the State—

"(aa) using criteria consistent with the requirements for the State assessment under section 207(a) before the first publication of such report card; and

"(bb) using the State assessment required under section 207(a), after the first publication of such report card and for every year thereafter; and

"(ii) that requires—

"(I) each student in the program to meet high academic standards or demonstrate a record of success, as determined by the institution (including prior to entering and being accepted into a program), and participate in intensive clinical experience;

"(II) each student in the program preparing to become a teacher who meets the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C)); and

"(III) each student in the program preparing to become an early childhood educator to become highly competent; and

"(B) in the case of a school leader preparation program—

"(i) whose graduates exhibit a strong record of successful school leadership as demonstrated by—

"(I) a high percentage of such graduates taking positions as assistant principals and principals within 3 years of completing the program; and

"(II) a high percentage of such graduates rated effective or above in State school leader evaluation and support systems (as described in section 2101(c)(4)(B)(ii) of the Elementary and Secondary Education Act of 1965) or, if no such ratings are available, other, comparable indicators of performance; and

"(ii) that requires each student in the program to participate in an intensive, high-quality clinical experience in an authentic setting (including by assuming substantial leadership responsibilities) for at least one full academic semester (or the equivalent) in which the student can be evaluated on leadership skills and the student's effect on student learning as part of program completion.

"(25) PROFESSIONAL DEVELOPMENT.—The term 'professional development' has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(26) PROFESSION-READY.—The term 'profession-ready'—

"(A) when used with respect to a principal or other school leader, means a principal or other school leader who—

"(i) has an advanced degree, or other appropriate credential;

"(ii) has completed a principal or other school leader preparation process and is fully certified and licensed by the State in which the principal or other school leader is employed;

"(iii) has demonstrated instructional leadership, including the ability to collect, analyze, and utilize data on evidence of student learning and evidence of classroom practice;

"(iv) has demonstrated proficiency in professionally recognized leadership standards, such as through—

"(I) a performance assessment;

"(II) completion of a residency program; or

"(III) other measures of leadership effectiveness, as determined by the State; and

"(v) has demonstrated the ability to work with students with disabilities and students who are culturally and linguistically diverse;

"(B) when used with respect to a teacher, means a teacher who—

"(i) has completed a teacher preparation program and is fully certified and licensed to teach by the State in which the teacher is employed;

"(ii) has a baccalaureate degree or higher;

"(iii) has demonstrated content knowledge in the subject or subjects the teacher teaches;

"(iv) has demonstrated the ability to work with students with disabilities and students who are culturally and linguistically diverse;

"(v) has demonstrated teaching skills, such as through—

"(I) a teacher performance assessment; or

"(II) other measures of teaching skills, as determined by the State; and

"(vi) has demonstrated proficiency with the use of educational and accessible technology; and

"(C) when used with respect to any other educator not described in subparagraph (A) or (B), means an educator who has completed an appropriate preparation program and is fully certified or licensed by the State in which the educator is employed.

"(27) RESIDENCY PROGRAM.—The term 'residency program' means a school-based educator preparation program, based on models of effective teaching and

leadership residencies, in which a prospective teacher, principal, or other school leader—

"(A) for 1 academic year, works alongside a mentor teacher, principal, or other school leader who is—

"(i) the educator of record; and

"(ii) is rated as effective or above in the State's school leader evaluation and support system (as described in section 2101(c)(4)(B)(ii) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6611(c)(4)(B)(ii))) or, if no such ratings are available, other, on comparable indicators of performance;

"(B) receives concurrent, aligned instruction during the year described in subparagraph (A) from the partner institution, which may be courses taught by local educational agency personnel or residency program faculty, in, as applicable—

"(i) the teaching of the content area in which the teacher will become certified or licensed;

"(ii) pedagogical practices, including the teaching skills defined in paragraph (33); and

"(iii) leadership, management, organizational, and instructional skills necessary to serve as a principal or other school leader;

"(C) acquires effective teaching or leadership skills through the integration of pedagogy, classroom or school practice, and teacher or leadership mentoring; and

"(D) prior to completion of the program—

"(i) demonstrates the prerequisite skills to advance student learning, which may be measured by a teacher or school leader performance assessment;

"(ii) attains full State teacher, principal, or school leader certification or licensure;

"(iii) with respect to special education teachers, meets the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C)); and

"(iv) becomes profession-ready.

"(28) SCHOOL LEADER.—The term 'school leader' has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(29) SCHOOL LEADER PREPARATION ENTITY.—The term 'school leader preparation entity' means an institution of higher education or a nonprofit organization, including those institutions or organizations that provide alternative routes to certification, that is approved by the State to prepare school leaders to be effective.

"(30) SCHOOL LEADER PREPARATION PROGRAM.—The term 'school leader preparation program' means a program offered by a school leader preparation entity, whether a traditional or alternative route, that is approved by the State to prepare school leaders to be effective and that leads to a specific State certification to be a school leader.

"(31) SCHOOL LEADER SKILLS.—The term 'school leader skills' refers to evidenced-based competencies for principals and other school leaders such as—

"(A) shaping a vision of academic success for all students;

"(B) creating a safe and inclusive learning environment;

"(C) cultivating leadership in others;

"(D) improving instruction; and

"(E) managing people, data, and processes to foster school improvement.

"(32) TEACHER LEADER.—The term 'teacher leader' means an effective educator who carries out formalized leadership responsibilities based on the demonstrated needs of the elementary school or secondary school in which the teacher is employed, while maintaining a role as a classroom instructor who—

"(A) is trained in and practices teacher leadership; and

"(B) fosters a collaborative culture to—

"(i) support educator development, effectiveness, and student learning;

"(ii) support access and use research to improve practice and student learning;

"(iii) promote professional learning for continuous improvement;

"(iv) facilitate improvements in instruction and student learning; promote the appropriate use of assessments and data for school and district improvement;

"(v) improve outreach and collaboration with families and community;

"(vi) advance the profession by shaping and implementing policy;

"(vii) advocate for increased access to great teaching and learning for all students; and

"(viii) demonstrate cultural competencies and provide instruction and support as such.

"(33) TEACHING SKILLS.—The term 'teaching skills' means skills that enable a teacher to—

"(A) increase student learning, achievement, and the ability to apply knowledge;

"(B) effectively convey, explain, and provide opportunities for students to develop the skills aligned with the full depth and breadth of the State challenging academic standards, including the application of academic subject matter;

"(C) effectively teach higher-order analytical, evaluation, problem-solving, critical thinking, social and emotional, collaboration, and communication skills;

"(D) employ strategies grounded in the disciplines of teaching and learning that—

"(i) are based on empirically-based practice and evidence-based research, where applicable, related to teaching and learning;

"(ii) are specific to academic subject matter; and

"(iii) focus on the identification of students' specific learning needs, particularly students with disabilities, students who are English learners, students who are gifted and talented, and students with low literacy levels, and the tailoring of academic instruction to such needs;

"(E) design and conduct ongoing assessments of student learning, which may include the use of formative assessments, performance-based assessments, project-based assessments, or portfolio assessments, that measures higher-order thinking skills (including application, analysis, synthesis, and evaluation) and use this information to inform and personalize instruction;

"(F) support the social, emotional, and academic achievement of all students including effectively manage a classroom creating a positive and inclusive classroom environment, including the ability to implement positive behavioral interventions, trauma-informed care, and other support strategies;

"(G) support an inclusive learning environment through culturally responsive teaching;

"(H) support accessible technology-rich instruction, assessment, and learning management in content areas, accessible technology literacy, and the use of universal design;

"(I) demonstrate proficiency with the use of educational and accessible technology;

"(J) communicate and work with families, and involve families in their children's education; and

"(K) use, in the case of an early childhood educator or an educator at the elementary school or secondary school level, age-appropriate and developmentally appropriate strategies and practices for children and youth in early childhood education and elementary school or secondary school programs, respectively.

"(34) TEACHER PERFORMANCE ASSESSMENT.—The term 'teacher performance assessment' means a pre-service assessment used to measure teacher performance that is approved by the State and is—

"(A) based on professional teaching standards;

"(B) used to measure the effectiveness of a teacher's—

"(i) curriculum planning informed by an understanding of students' prior knowledge, experiences, and racial, linguistic, cultural, and community assets;

"(ii) instruction of students, including the skills necessary to advance student learning, and including appropriate plans, differentiation, and modifications to support student learning needs, including English learners and students with disabilities;

"(iii) assessment of students, including analysis of evidence of student learning;

"(iv) ability to analyze, reflect on, and improve teaching practice in response to student learning; and

"(v) demonstrate cultural competencies through curriculum planning and instruction.

"(C) validated based on professional assessment standards;

"(D) reliably scored by trained evaluators, with appropriate oversight of the process to ensure consistency; and

"(E) used to support continuous improvement of educator practice.

"(35) TEACHER PREPARATION ENTITY.—The term 'teacher preparation entity' means an institution of higher education, a nonprofit organization, or other organization that is approved by a State to prepare teachers to be effective in the classroom.

"(36) TEACHER PREPARATION PROGRAM.—The term 'teacher preparation program' means a program offered by a teacher preparation entity that leads to a specific State teacher certification.

"(37) TRAUMA-INFORMED CARE.—The term 'trauma-informed care' is defined as the evidence-based practices outlined in section 4108(B)(II)(aa) of the Elementary and Secondary Education Act of 1965.".

SEC. 2002. PURPOSES.

Section 201 of the Higher Education Act of 1965 (20 U.S.C. 1022) is amended—

(1) in paragraph (2), by striking "by improving the preparation of prospective teachers and enhancing professional development activities for new teachers" and inserting ", school leaders, including teacher leaders, and other educators by improving the preparation of prospective teachers, school leaders, and other educators and enhancing professional development activities for new teachers, school leaders, and other educators";

(2) in paragraph (3), by striking "; and" and inserting a semicolon;

(3) by striking paragraph (4) and inserting the following new paragraphs:

"(4) hold teacher, principal and school leader, and other educator preparation programs accountable for preparing effective teachers, principals and school leaders, and other educators;

"(5) recruit individuals, including members of racial and ethnic groups underrepresented in the teaching profession and individuals from other occupations (including informal education and youth development fields), as profession-ready teachers and other educators, ensuring such individuals receive appropriate training in pedagogy and classroom management, with an emphasis on areas of State-identified teacher shortage; and

"(6) meet the staffing needs of high-need local educational agencies and high-need schools through close partnerships with educator preparation programs within institutions of higher education.".

SEC. 2003. PARTNERSHIP GRANTS.

Section 202 of the Higher Education Act of 1965 (20 U.S.C. 1022a) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by inserting "equitable distribution," after "professional development,";

(B) by amending paragraph (2) to read as follows:

"(2) a description of the extent to which the program to be carried out with grant funds, as described in subsection (c), will prepare prospective teachers, school leaders, and new educators with strong teaching, school leadership, and other professional skills necessary to increase learning and academic achievement;";

(C) in paragraph (3), by inserting ", school leaders, and other educators," after "new teachers";

(D) in paragraph (4)—

(i) in subparagraph (A), by inserting ", school leader, and other educator" after "other teacher"; and

(ii) in subparagraph (B), by inserting ", school leader, and other educator" after "promote teacher";

(E) in paragraph (6)—

(i) by redesignating subparagraphs (I), (J), and (K) as subparagraphs (J), (K), and (M), respectively;

(ii) by striking subparagraphs (F), (G), and (H) and inserting the following:

"(F) how the partnership will prepare educators to teach and work with students with disabilities, including training related to early identification of students with disabilities and participation as a member of individualized education program teams, as defined in section 614(d)(1)(B) of the Individuals with Disabilities Education Act to ensure that students with disabilities receive effective services, consistent with the requirements of the Individuals with Disabilities Education Act, that are needed for such students to achieve to challenging State academic standards;

"(G) how the partnership will prepare educators to teach and work with students who are English learners to ensure that students who are English

learners receive the services that are needed for such students to achieve to challenging State academic standards;

"(H) in the case of activities related to principal and school leader preparation programs, how the partnership will prepare principals and other school leaders to foster instruction that supports the success of all students, including students with disabilities, students who are English learners, and students in early childhood education in alignment with State early learning standards for early childhood education programs;

"(I) how faculty at the partner institution will work, during the term of the grant, with mentor educators in the classrooms and administrators of high-need schools served by the high-need local educational agency in the partnership to—

"(i) provide high-quality professional development activities to strengthen the content knowledge and teaching skills of elementary school and secondary school teachers and other educators, including multi-tiered systems of support and universal design for learning;

"(ii) train other classroom teachers, principals or other school leaders, school librarians, and other educators to implement literacy programs that incorporate the components of comprehensive literacy instruction; and

"(iii) provide evidence-based, high-quality professional development activities to strengthen the instructional and leadership skills of elementary school and secondary school principals or other school leaders and district superintendents, if the partner institution has a principal or school leader preparation program;";

(iii) in subparagraph (J) (as so redesignated), by inserting "as applicable" before "how the partnership";

(iv) in subparagraph (K) (as so redesignated), by striking "and" at the end;

(v) by inserting after subparagraph (K) (as so resdesignated) the following:

"(L) how faculty at the partner institution for school leader preparation will work, during the term of the grant, with their—

"(i) State to use rigorous, research-based leader standards and align program accreditation criteria and principal licensure requirements with those standards; and

"(ii) high-needs local education agencies that hire their graduates to use rigorous, evidence-based leader standards and align program content and local educational agencies' evaluation systems with those standards; and"; and

(vi) in subparagraph (M) (as so redesignated), by inserting ", principals or other school leaders" after "teachers"; and

(F) in paragraph (7)—

(i) in the matter before subparagraph (A), by striking "under this section" and inserting "under paragraphs (1)(B)(iv) and (3) of subsection (d)";

(ii) in subparagraph (A), by inserting "as applicable," before "a demonstration"; and

(iii) in subparagraph (B), by striking "scientifically valid" and inserting "evidence-based";

(2) by amending subsection (c) to read as follows:

"(c) USE OF GRANT FUNDS.—An eligible partnership that receives a grant under this section—

"(1) shall use such grant to carry out —

"(A) a program for the pre-baccalaureate or post-baccalaureate preparation of teachers described in subsection (d);

"(B) a teaching residency program, or a principal or other school leader residency program, described in subsection (e);

"(C) a high-quality 'Grow Your Own' program; or

"(D) a combination of such programs; and

"(2) may use such grant to carry out other educator development programs under subsection (f), based upon the results of the needs assessment in subsection (b)(1).";

(3) in subsection (d)—

(A) in paragraph (1)—

(i) by striking "limited English proficient" both places it appears and inserting "English learners"; and

(ii) by striking "scientifically valid" both places it appears and inserting "evidence-based";

(iii) in subparagraph (B)(ii)(VI), by striking "reading instruction" both places it appears and inserting "comprehensive literacy instruction";

(B) in paragraph (5)(B), by striking "limited English proficient students" and inserting "students who are English learners";

(C) in paragraph (5)(C), by inserting "paraprofessionals," after "occupations,"; and

(D) in paragraph (6)(A), by striking "reading instruction" and inserting "comprehensive literacy instruction";

(4) by amending subsection (e) to read as follows:

"(e) PARTNERSHIP GRANTS FOR THE ESTABLISHMENT OF TEACHING AND PRINCIPAL OR OTHER SCHOOL LEADER RESIDENCY PROGRAMS.—

"(1) IN GENERAL.—An eligible partnership receiving a grant to carry out an effective teaching residency program or principal or other school leader residency program that meets the following requirements:

"(A) TEACHING RESIDENCY PROGRAM.—An eligible partnership carrying out a teaching residency program shall—

"(i) support a teaching residency program described in paragraph (2) for high-need schools, as determined by the needs of high-need local educational agency in the partnership, and in high-need subjects and areas, as defined by such local educational agency; and

"(ii) place graduates of the teaching residency program in cohorts that facilitate professional collaboration, both among graduates of the residency program and between such graduates and mentor teachers in the receiving school.

"(B) PRINCIPAL OR SCHOOL LEADER RESIDENCY PROGRAM.—An eligible partnership carrying out a principal or school leader residency program shall support a program described in paragraph (3) for high-need schools, as determined by the needs of the high-need local educational agency in the partnership.

"(2) TEACHING RESIDENCY PROGRAM.—

"(A) ESTABLISHMENT AND DESIGN.—A teaching residency program under this paragraph shall be a program based upon models of successful teaching residencies that serves as a mechanism to prepare teachers for success in high-need schools in the eligible partnership and shall be designed to include the following characteristics of successful programs:

"(i) The integration of pedagogy, classroom practice and teacher mentoring.

"(ii) The exposure to principles of child and youth development, and understanding and applying principles of learning, behavior, and community and family engagement.

"(iii) The exposure to principles of universal design for learning and multi-tiered systems of support.

"(iv) Engagement of teaching residents in rigorous coursework that results in a baccalaureate or master's degree while undertaking a guided teaching clinical experience.

"(v) Experience and learning opportunities alongside a trained and experienced mentor teacher—

"(I) whose teaching shall complement the residency program so that school-based clinical practice is tightly aligned and integrated with coursework;

"(II) who shall have extra responsibilities as a teacher leader of the teaching residency program, as a mentor for residents, and as a teacher coach during the induction program for new teachers, and for establishing, within the program, a learning community in which all individuals are expected to continually improve their capacity to advance student learning; and

"(III) who may be relieved from teaching duties or may be offered a stipend as a result of such additional responsibilities.

"(vi) The establishment of clear criteria for the selection of mentor teachers based on the appropriate subject area knowledge and measures of teacher effectiveness, which shall be based on, but not limited to, observations of the following:

"(I) Planning and preparation, including demonstrated knowledge of content, pedagogy, and assessment, including the use of formative, summative, and diagnostic assessments to inform instruction and improve student learning.

"(II) Appropriate instruction that engages all students.

"(III) Collaboration with colleagues to improve instruction.

"(IV) Analysis of evidence of student learning.

"(V) Collaboration and the cultivation of relationships with external stakeholders (which may include professional disciplinary organizations and nonprofit advocacy organizations) to foster the sharing of evidence-based resources to promote high-quality, effective practices.

"(vii) The development of admissions goals and priorities—

"(I) that are aligned with the hiring objectives of the local educational agency partnering with the program, as well as the instructional initiatives and curriculum of such agency to hire qualified graduates from the teaching residency program; and

"(II) which may include consideration of applicants who reflect the communities in which they will teach as well as consideration of individuals from underrepresented populations in the teaching profession.

"(viii) Continued support for residents once such residents are hired as the teachers of record, through an induction program, evidence-based professional development, and networking opportunities to support the residents through not less than the residents' first 2 years of teaching.

"(B) SELECTION OF INDIVIDUALS AS TEACHER RESIDENTS.—

"(i) ELIGIBLE INDIVIDUAL.—In order to be eligible to be a teacher resident in a teaching residency program under this paragraph, an individual shall—

"(I) be a recent graduate of a 4-year institution of higher education or a mid-career professional possessing strong content knowledge or a record of professional accomplishment;

"(II) in the case of an undergraduate residency, enrolled as an undergraduate student in a partner institution as defined in this title; and

"(III) submit an application to the residency program.

"(ii) SELECTION CRITERIA.—An eligible partnership carrying out a teaching residency program under this subsection shall establish criteria for the selection of eligible individuals to participate in the teaching residency program based on the following characteristics:

"(I) Strong content knowledge or record of accomplishment in the field or subject area to be taught.

"(II) Strong verbal and written communication skills, which may be demonstrated by performance on appropriate assessments.

"(III) Other attributes linked to effective teaching, which may be determined by interviews or performance assessments, as specified by the eligible partnership.

"(3) PARTNERSHIP GRANTS FOR THE DEVELOPMENT OF PRINCIPAL AND OTHER SCHOOL LEADER RESIDENCY PROGRAMS.—

"(A) ESTABLISHMENT AND DESIGN.—A principal or other school leader residency program under this paragraph shall be a program based upon models of successful principal or other school leader residencies, and may include the development or support of principal pipelines, that serve as a mechanism to prepare principals and other school leaders for success in high-need schools in the eligible partnership and shall be designed to include the following characteristics of successful programs:

"(i) Engagement of principal or other school leader residents in rigorous graduate-level coursework to earn an appropriate advanced credential while undertaking a guided principal or other school leader clinical experience.

"(ii) Experience and learning opportunities, including those that provide continuous feedback throughout the program on a participants' progress, alongside a trained and experienced mentor principal or other school leader—

"(I) whose mentoring shall be based on standards of effective mentoring practice and shall complement the residence program so that school-based clinical practice is tightly aligned with coursework; and

"(II) who may be relieved from some portion of principal or other school leader duties or may be offered a stipend as a result of such additional responsibilities.

"(iii) The establishment of clear criteria for the selection of mentor principals or other school leaders, which may be based on observations of the following:

"(I) Demonstrating awareness of, and having experience with, the knowledge, skills, and attitudes to—

"(aa) establish and maintain a professional learning community that effectively extracts information from data to improve the school culture and climate, and personalize instruction for all students to result in improved student achievement;

"(bb) create and maintain a learning culture within the school that provides an inclusive climate conducive to the development of all members of the school community, including one of continuous improvement and learning for adults tied to student learning and other school goals;

"(cc) develop the professional capacity and practice of school personnel and foster a professional community of teachers and other professional staff;

"(dd) engage in continuous professional development, utilizing a combination of academic study, developmental simulation exercises, self-reflection, mentorship, and internship;

"(ee) understand youth development appropriate to the age level served by the school, and use this knowledge to set high expectations and standards for the academic, social, emotional, and physical development of all students;

"(ff) understand the science of adverse childhood experiences to lead schools that implement trauma-informed practices; and

"(gg) actively engage with families and the community to create shared responsibility for student academic performance and successful development.

"(II) Planning and articulating a shared and coherent schoolwide direction and policy for achieving high standards of student performance, and closing gaps in achievement among subgroups of students.

"(III) Identifying and implementing the activities and rigorous curriculum necessary for achieving such standards of student performance.

"(IV) Supporting a culture of learning, collaboration, and professional behavior and ensuring quality measures of instructional practice.

"(V) Communicating with, and engaging, parents, families, and other external communities.

"(VI) Cultivating relationships and collaborating with external stakeholders, which may include professional disciplinary organizations and nonprofit advocacy organizations, to foster the sharing of evidence-based resources to promote high-quality, effective practices.

"(VII) Collecting, analyzing, and utilizing data and other evidence of student learning and evidence of classroom practice to guide decisions and actions for continuous improvement and to ensure performance accountability.

"(iv) The development of admissions goals and priorities—

"(I) that are aligned with the hiring objectives of the local educational agency partnering with the program, as well as the instructional initiatives and curriculum of such agency to hire qualified graduates from the principal residency program; and

"(II) which may include consideration of applicants who reflect the communities in which they will serve and consideration of individuals from underrepresented populations in school leadership positions.

"(v) Continued support for residents once such residents are hired as principals or other school leaders, through an induction program, evidence-based professional development to support the knowledge and skills of the principal or other school leader in a continuum of learning and content expertise in developmentally appropriate or age-appropriate educational practices, and networking opportunities to support the residents through not less than the residents' first 2 years of serving as principal or other school leader of a school.

"(B) SELECTION OF INDIVIDUALS AS PRINCIPAL OR OTHER SCHOOL LEADER RESIDENTS.—

"(i) ELIGIBLE INDIVIDUAL.—In order to be eligible to be a principal or other school leader resident in a principal or other school leader residency program under this paragraph, an individual shall—

"(I) have prior prekindergarten through grade 12 teaching experience;

"(II) have experience as an effective leader, manager, and written and oral communicator; and

"(III) submit an application to the residency program.

"(ii) SELECTION CRITERIA.—An eligible partnership carrying out a principal or other school leader residency program under this subsection shall establish criteria for the selection of eligible individuals to participate in the principal residency program based on the following characteristics:

"(I) Strong instructional leadership skills in an elementary school or secondary school setting.

"(II) Strong verbal and written communication skills, which may be demonstrated by performance on appropriate assessments.

"(III) Other attributes linked to effective leadership, such as sound judgment, organizational capacity, collaboration, commitment to equity and inclusiveness, and openness to continuous learning, which may be determined by interviews or performance assessment, as specified by the eligible partnership.

"(4) STIPENDS OR SALARIES; APPLICATIONS; AGREEMENTS; AND REPAYMENTS.—

"(A) STIPENDS OR SALARIES.—A teaching residency program, or a principal or other school leader residency program, under this subsection—

"(i) shall provide a 1-year living stipend or salary to residents during the teaching residency program or the principal or other school leader residency program; and

"(ii) may provide a stipend to a mentor teacher or mentor principal.

"(B) APPLICATIONS.—

"(i) IN GENERAL.—Each residency candidate desiring a stipend or salary during the period of residency shall submit an application to the eligible partnership at such time, in such manner, and containing such information and assurances, as the eligible partnership may require, and which shall include an agreement to serve described in clause (ii).

"(ii) AGREEMENTS TO SERVE.—Each application submitted under clause (i) shall contain or be accompanied by an agreement that the applicant will—

"(I) upon successfully completing the 1-year teaching residency program, or principal or other school leader residency program, serve as a full-time teacher, principal, or other school leader for a total of not less than 3 school years at—

"(aa) a high-need school served by the high-need local educational agency in the eligible partnership and, in the case of a teacher, teach a subject or area that is designated as high-need by the partnership; or

"(bb) in a case in which no appropriate position is available in a high-need school served by the high-need local educational agency in the eligible partnership, any other high-need school;

"(II) provide to the eligible partnership a certificate, from the chief administrative officer of the local educational agency in which the teacher or principal or other school leader is employed, of the employment required under subclause (I) at the beginning of, and upon completion of, each year or partial year of service;

"(III) in the case of a teacher resident, meet the requirements to be a profession-ready teacher;

"(IV) in the case of a principal or other school leader resident, meet the requirements to be a profession-ready principal or other school leader; and

"(V) comply with the requirements set by the eligible partnership under subparagraph (C) if the applicant is unable or unwilling to complete the service obligation required by this subparagraph.

"(C) REPAYMENTS.—

"(i) IN GENERAL.—An eligible partnership carrying out a teaching residency program, or a principal or other school leader residency program, under this subsection shall require a recipient of a stipend or salary under subparagraph (A) who does not complete, or who notifies the partnership that the recipient intends not to complete, the service obligation required by subparagraph (B) to repay such stipend or salary to the eligible partnership, together with interest, at a rate specified by the partnership in the agreement, and in accordance with such other terms and conditions specified by the eligible partnership, as necessary.

"(ii) OTHER TERMS AND CONDITIONS.—Any other terms and conditions specified by the eligible partnership may include reasonable provisions for prorate repayment of the stipend or salary described in subparagraph (A) or for deferral of a resident's service obligation required by subparagraph (B), on grounds of health, incapacitation, inability to secure employment in a school served by the eligible partnership, being called to active duty in the Armed Forces of the United States, or other extraordinary circumstances.

"(iii) USE OF REPAYMENTS.—An eligible partnership shall use any repayment received under this subparagraph to carry out additional activities that are consistent with the purposes of this section.";

(5) by striking subsection (f);

(6) by redesignating subsections (g) through (k) as subsections (h) through (l), respectively; and

(7) by inserting after subsection (e) the following:

"(f) TEACHER LEADER DEVELOPMENT PROGRAM.—

"(1) IN GENERAL.—A teacher leader development program carried out with a grant awarded under this section shall provide for the professional development of teachers, as described in paragraph (2), who maintain their roles as classroom teachers and who also carry out formalized leadership responsibilities to increase the academic achievement of students and promote data-driven instructional practices that address the demonstrated needs at the elementary schools and secondary schools in which the teachers are employed, such as—

"(A) development of curriculum and curricular resources;

"(B) facilitating the work of committees and teams;

"(C) family and community engagement;

"(D) school discipline and culture;

"(E) peer observations and coaching;

"(F) dual enrollment instruction; or

"(G) cultural competencies.

"(2) PROFESSIONAL DEVELOPMENT.—The professional development of teachers in a teacher leader development program carried out with a grant awarded under this section shall include—

"(A) one year of professional development, training, and support that may—

"(i) include—

"(I) the engagement of teachers in rigorous coursework and fieldwork relevant to their role as a teacher leader, including available teacher leader standards; and

"(II) regular observations and professional support from—

"(aa) a principal, vice principal, or a designated instructional leader of the school;

"(bb) a representative from the institution of higher education that is a partner in the eligible partnership;

"(cc) a representative from another entity that is a partner in the eligible partnership; and

"(dd) another member of the teacher leader cohort, if applicable, or a peer teacher; and

"(ii) result in the awarding of a credential in teacher leadership; and

"(B) one or 2 additional years of support from a principal, vice principal, or a designated instructional leader of the school, a representative from the institution of higher education that is a partner in the eligible partnership, and a representative from another entity that is a partner in the eligible partnership.

"(3) TEACHER LEADER DEVELOPMENT PROGRAM PLAN.—In carrying out a teacher leader development program under this section, an eligible partnership shall develop a plan that shall describe—

"(A) how the work hours of teacher leaders will be allocated between their classroom responsibilities and responsibilities as a teacher leader, which shall include a description of whether the teacher leader will be relieved from teaching duties during their participation in the teacher leader development program;

"(B) how the partnership will support teacher leaders after the first year of professional development in the program; and

"(C) how teacher leader activities could be sustained by the eligible partnership after the program concludes, which may include a description of opportunities for the teacher leaders to assist in the educator preparation program at the institution of higher education in the partnership.

"(4) SELECTION OF TEACHER LEADERS; USE OF FUNDS.—In carrying out a teacher leader development program under this section, an eligible partnership—

"(A) shall select a teacher for participation in the program—

"(i) who—

"(I) is fully certified to teach in the State of the high-need local educational agency that is a partner in the eligible partnership;

"(II) is employed by such high-need local educational agency;

"(III) has not less than 3 years of teaching experience; and

"(IV) submits an application for participation to the eligible partnership; and

"(ii) based on selection criteria that includes—

"(I) demonstration of strong content knowledge or a record of accomplishment in the field or subject area the teacher will support as a teacher leader; and

"(II) demonstration of attributes linked to effective teaching that are determined through interviews, observations, other exhibits, student achievement, or performance assessments, such as those leading to an advanced credential;

"(B) may develop admissions goals and priorities for the teacher leader development program that—

"(i) are aligned with the demonstrated needs of the school or high-need local educational agency in which the teacher is employed;

"(ii) considers cultural competencies that would make the applicant effective in the applicant's teacher leader role; and

"(iii) considers whether the teacher has substantial teaching experience in the school in which the teacher is employed or in a school that is similar to the school in which the teacher is employed;

"(C) shall use the grant funds to pay for costs of training and supporting teacher leaders for not less than 2 years and not more than 3 years;

"(D) may use the grant funds to pay for a portion of a stipend for teacher leaders if such grant funds are matched by additional non-Federal public or private funds as follows:

"(i) during each of the first and second years of the grant period, grant funds may pay not more than 50 percent of such stipend; and

"(ii) during the third year of the grant period, grant funds may pay not more than 33 percent of such stipend; and

"(E) may require teacher leaders to pay back the cost of attaining the credential described in paragraph (2)(A)(ii) if they do not complete their term of service in the teacher leader development program.

"(g) PARTNERSHIP GRANTS FOR THE ESTABLISHMENT OF GROW YOUR OWN PROGRAMS.—

"(1) IN GENERAL.—An eligible partnership that receives a grant under this section may use such grant to carry out a high-quality 'Grow Your Own' program to address subject or geographic areas of teacher or school leader shortages or to increase the diversity of the teacher or school leader workforce.

"(2) ELEMENTS OF A GROW YOUR OWN PROGRAM.—A Grow Your Own program carried out under this section shall—

"(A) integrate career-focused courses on education topics with school-based learning experience;

"(B) provide opportunities for candidates to practice and develop the skills and dispositions that will help them become skilled educators and leaders;

"(C) support candidates as they complete their associate, baccalaureate, or master's degree and earn their teaching or school leadership credential; and

"(D) offer financial aid, in addition to financial assistance that may be received under title IV, to candidates and work in partnership with members of the eligible partnership to provide academic, counseling, and programmatic supports.

"(2) ESTABLISHMENT AND DESIGN.—To create and enhance multiple pathways to enter the educator and leadership workforce, an eligible partnership carrying out a Grow Your Own program under this section, in collaboration with organizations representing educators and leaders and additional stakeholders—

"(A) shall—

"(i) establish an advisory group to review barriers impacting underrepresented populations entering the teaching and school leadership profession, identify local teacher and leader workforce needs, develop policies on the creation or expansion of Grow Your Own programs, and provide guidance and oversight on the implementation of such programs;

"(ii) track and evaluate the effectiveness of the program, including, at a minimum, using the data required under section 204(a)(1);

"(iii) require candidates to complete all State requirements to become fully certified;

"(iv) provide academic and testing supports, including advising and financial assistance, to candidates for admission and completion of education preparation programs as well as State licensure assessments;

"(v) include efforts, to the extent feasible, to recruit current paraprofessionals, as defined under section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801), instructional assistants, district employees not certified to teach or lead (such as long-term substitute teachers), after school and summer program staff, parent school volunteers, retired military personnel, and other career changers with experience in hard to staff areas who are not currently certified to teach or lead with a specific focus on recruiting individuals who are reflective of the race, ethnicity, and native language of the existing community's student population; and

"(vi) provide a year-long clinical experience or teaching or school leadership residency in which candidates teach or lead alongside an expert mentor teacher or school leader; and

"(B) may include—

"(i) a stipend to cover candidate living expenses or childcare costs; and

"(ii) compensation for mentors.".

SEC. 2004. ADMINISTRATIVE PROVISIONS.

Section 203 of the Higher Education Act of 1965 (20 U.S.C. 1022b) is amended—

(1) in subsection (a)(2), by striking "five-year period." and inserting "five-year period, except such partnership may receive an additional grant during such period if such grant is used to establish a teaching residency program, or a principal or other school leader residency program, if such residency program was not established with the prior grant."; and

(2) in subsection (b)(2)—

(A) in subparagraph (A)—

(i) by striking "teacher preparation program" and inserting "teacher education, school leader preparation, or educator development program";

(ii) by inserting "and demonstrated success in having a diverse set of candidates complete the program, and entering and remaining in the profession" after "such program"; and

(iii) by striking "; and" at the end and inserting a semicolon;

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following:

"(B) provide a 1–year preservice clinical or residency experience that includes the integration of coursework and clinical practice and offers cohorts of candidates the opportunity to learn to teach or lead in partner schools or teaching academies; and".

SEC. 2005. ACCOUNTABILITY AND EVALUATION.

Section 204(a) of the Higher Education Act of 1965 (20 U.S.C. 1022c(a)) is amended to read as follows:

"(a) ELIGIBLE PARTNERSHIP EVALUATION.—Each eligible partnership submitting an application for a grant under this part shall establish, and include in such application, an evaluation plan that includes rigorous, comprehensive, and measurable performance objectives. The plan shall include objectives and measures for—

"(1) achievement for all prospective and new educators as measured by the eligible partnership;

"(2) after the completion of the partnership program, educator retention at the end of year 3 and year 5;

"(3) pass rates and scaled scores for initial State certification or licensure of teachers or pass rates and average scores on valid and reliable teacher performance assessments; and

"(4)(A) the percentage of profession-ready teachers, principals or other school leaders hired by the high-need local educational agency participating in the eligible partnership;

"(B) the percentage of profession-ready teachers, principals, and other educators hired by the high-need local educational agency who are members of underrepresented groups;

"(C) the percentage of profession-ready teachers hired by the high-need local educational agency who teach high-need academic subject areas, such as read-

ing, science, technology, engineering, mathematics, computer science, and foreign language (including less commonly taught languages and critical foreign languages), or any other well-rounded education subject (as defined in section 8101 of the Elementary and Secondary Act of 1965 (20 U.S.C. 7801));

"(D) the percentage of profession-ready teachers hired by the high-need local educational agency who teach in high-need areas, including special education, bilingual education, language instruction educational programs for English language learners, and early childhood education;

"(E) the percentage of profession-ready teachers, principals or other school leaders, and other educators hired by the high-need local educational agency who teach in high-need schools, disaggregated by the elementary school and secondary school levels;

"(F) as applicable, the percentage of early childhood education program classes in the geographic area served by the eligible partnership taught by early childhood educators who are highly competent as a result of participation in the partnership program;

"(G) as applicable, the percentage of educators who have completed the partnership program able to—

"(i) integrate technology effectively into curricula and instruction, including technology consistent with the principles of universal design for learning; and

"(ii) use technology effectively to collect, manage, and analyze data to improve teaching and learning for the purpose of improving student learning outcomes; and

"(H) as applicable, the percentage of educators who have completed the partnership program taking school leadership positions who, after 3 years in the role, receive ratings of effective or above in State school leader evaluation and support systems (as described in section 2014(c)(4)(B)(ii) of the Elementary and Secondary Education Act of 1965) or, if no such ratings are available, other comparable indicators of performance.".

SEC. 2006. ACCOUNTABILITY FOR PROGRAMS THAT PREPARE TEACHERS, PRINCIPALS, OR OTHER SCHOOL LEADERS.

Section 205 of the Higher Education Act of 1965 (20 U.S.C. 1022d) is amended—

(1) in subsection (a)—

(A) by striking the subsection header and inserting the following: "INSTITUTIONAL AND PROGRAM REPORT CARDS ON THE QUALITY OF TEACHER AND SCHOOL LEADER PREPARATION"; and

(B) by striking paragraph (1) and inserting the following:

"(1) REPORT CARD.—Each teacher preparation or school leader preparation entity approved to operate teacher preparation or school leader preparation programs in the State and that receives or enrolls students receiving Federal assistance shall report annually to the State and the general public, in a uniform and comprehensive manner that conforms with the definitions and methods established by the Secretary, the following:

"(A) PASS RATES AND SCALED SCORES.—For the most recent year for which the information is available for each teacher or school leader preparation program offered by the teacher preparation or school leader preparation entity the following:

"(i) Except as provided in clause (ii), for those students who took the assessments used for teacher or school leader certification or licensure by the State in which the entity is located and are enrolled in the teacher or school leader preparation program, and for those who have taken such assessments and have completed the teacher or school preparation program during the 2-year period preceding such year, for each of such assessments—

"(I) the percentages of students enrolled in the preparation program, and those who have completed such program, who passed such assessment;

"(II) the percentage of students who have taken such assessment who enrolled in and completed the teacher or school leader preparation program; and

"(III) the average scaled score for all students who took such assessment.

"(ii) In the case of an entity that requires a valid and reliable teacher performance assessment in order to complete the preparation program, the entity may submit in lieu of the information described in clause (i) the pass rate and average score of students taking the teacher performance assessment.

"(B) ENTITY INFORMATION.—A description of the following:

"(i) The median grade point average and range of grade point averages for admitted students.

"(ii) The number of students in the entity, disaggregated by race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the result would reveal personally identifiable information about an individual student.

"(iii) The number of hours and types of supervised clinical preparation required for each program.

"(iv) The total number and percentage of students who have completed programs for certification or licensure disaggregated by subject area and by race, ethnicity, gender, income status, and language diversity (graduates who have bilingual or dual language immersion endorsements), except that such disaggregation shall not be required in a case in which the result would reveal personally identifiable information about an individual student.

"(v) The percentage and total number of program completers who have been certified or licensed as teachers or school leaders (disaggregated by subject area of certification or licensure and by race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student).

"(vi) The 3- and 5-year teacher or school leader retention rates, including, at a minimum, in the same school and local educational agency, and within the profession (disaggregated by race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student).

"(C) ACCREDITATION.—Whether the program or entity is accredited by a specialized accrediting agency recognized by the Secretary for accreditation of professional teacher or school leader education programs.

"(D) DESIGNATION AS LOW-PERFORMING.—Which programs (if any) offered by the entity have been designated as low-performing by the State under section 207(a).";

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A)—

(I) by inserting "and school leader" after "teacher"; and

(II) by inserting ", including teacher performance assessments" after "the State";

(ii) by amending subparagraph (D) to read as follows:

"(D)(i) Except as provided in clause (ii), for each of the assessments used by the State for teacher or school leader certification or licensure, disaggregated by subject area, race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the result would reveal personally identifiable information about an individual student—

"(I) for each entity located in the State, the percentage of students at each entity who have completed 100 percent of the nonclinical coursework and taken the assessment who pass such assessment;

"(II) the percentage of all such students in all such programs and entities who have taken the assessment who pass such assessment;

"(III) the percentage of students who have taken the assessment and who enrolled in and completed a teacher or school leader preparation program; and

"(IV) the average scaled score of individuals participating in such a program, or who have completed such a program during the 2-year period preceding the first year for which the annual State report card is provided, who took each such assessment.

"(ii) In the case of a State that has implemented a valid and reliable teacher performance assessment, the State may submit in lieu of the information described in clause (i) the pass rate and average score of students taking the teacher performance assessment, disaggregated by subject area, race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the result would reveal personally identifiable information about an individual student.";

(iii) by striking subparagraphs (G) through (L) and inserting the following:

"(G) For each teacher and school leader preparation program in the State the following:

"(i) The programs' admission rate, median grade point average, and range of grade point averages for admitted students.

"(ii) The number of students in the program disaggregated by race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the result would reveal personally identifiable information about an individual student.

"(iii) The number of hours and types of supervised clinical preparation required.

"(iv) Whether such program has been identified as low-performing, as designated by the State under section 207(a).

"(v) For each school leader preparation program in the State, the total number and percentage of program completers placed as principals who are rated as effective or above on the State school leader evaluation and support systems (as described in section 2101(c)(4)(B)(2) of the Elementary and Secondary Education Act of 1965) or, if no such ratings are available, other comparable indicators of performance after three years of leading a school.

"(H) For the State as a whole, and for each teacher preparation entity in the State, the number of teachers prepared, in the aggregate and reported separately by the following:

"(i) Area of certification or licensure.

"(ii) Route of certification (traditional versus alternative).

"(iii) Academic major.

"(iv) Degree type (baccalaureate, post-baccalaureate, and master's degrees).

"(v) Subject area for which the teacher has been prepared to teach.

"(vi) The relationship of the subject area and grade span of teachers graduated by the teacher preparation entity to identified teacher shortage areas of the State.

"(vii) The percentage of teachers graduated teaching in high-need schools.

"(viii) Placement in a teaching or school leadership position within 6 months of program completion.

"(ix) Rates of 3- and 5-year teacher or school leadership retention including, at a minimum, in the same school and local educational agency, and within the profession."; and

(B) by adding at the end the following:

"(3) NO REQUIREMENT FOR REPORTING ON STUDENTS NOT WORKING IN THE STATE.—Nothing in this section shall require a State to report data on program completers who do not work as teachers, principals, or school leaders in such State."; and

(3) in subsection (d)(2), by adding at the end the following:

"(D) The relationship of the subject area and grade span of teachers graduated by teacher preparation entities across the States to identified teacher shortage areas.

"(E) The number and percentages of such graduates teaching in high-need schools.".

SEC. 2007. TEACHER DEVELOPMENT.

Section 206 of the Higher Education Act of 1965 (20 U.S.C. 1022e) is amended by striking "limited English proficient" both places it appears and inserting "English learner".

SEC. 2008. STATE FUNCTIONS.

Section 207 of the Higher Education Act of 1965 (20 U.S.C. 1022f) is amended to read as follows:

"SEC. 207. STATE FUNCTIONS.

"(a) STATE ASSESSMENT.—

"(1) IN GENERAL.—In order to receive funds under this Act or under title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq.), a State shall conduct an assessment to identify at-risk and low-performing teacher and school leader preparation programs in the State and to assist such programs through the provision of technical assistance.

"(2) PROVISION OF LOW-PERFORMING LIST.—Each State described in paragraph (1) shall—

"(A) provide the Secretary and the general public an annual list of low-performing teacher and school leader preparation programs and an identification of those programs at risk of being placed on such list, as applicable;

"(B) report any teacher and school leader preparation program that has been closed and the reasons for such closure; and

"(C) describe the assessment, described in paragraph (1), in the report under section 205(b).

"(3) DETERMINATION OF AT-RISK AND LOW-PERFORMING PROGRAMS.—The levels of performance and the criteria for meeting those levels for purposes of the assessment under paragraph (1) shall be determined by the State in consultation with a representative group of community stakeholders, including, at a minimum, representatives of leaders and faculty of traditional and alternative route teacher and school leader preparation programs, prekindergarten through 12th grade leaders and instructional staff, current teacher and school leader candidates participating in traditional and alternative route teacher or school leader preparation programs, the State's standards board or other appropriate standards body, and other stakeholders identified by the State. In making such determination, the State shall consider multiple measures and the information reported by teacher preparation entities under section 205.

"(b) REPORTING AND IMPROVEMENT.—In order to receive funds under this Act or under title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq.), a State shall—

"(1) report to the Secretary and the general public any programs described in subsection (a);

"(2) establish a period of improvement and redesign (as established by the State) for programs identified as at-risk under subsection (a);

"(3) provide programs identified as at-risk under subsection (a) with technical assistance for a period of not longer than 3 years;

"(4) identify at-risk programs as low-performing if there is not sufficient improvement following the period of technical assistance provided by the State; and

"(5) subject low-performing programs to the provisions described in subsection (c) (as determined by the State) not later than 1 year after the date of such identification as a low-performing program.

"(c) TERMINATION OF ELIGIBILITY.—Any teacher or school leader preparation program that is projected to close—

"(1) shall be ineligible for any funding for professional development activities awarded by the Department;

"(2) may not be permitted to provide new awards under subpart 9 of part A of title IV; and

"(3) shall provide transitional support, including remedial services if necessary, for students enrolled in the program in the year prior to such closure.

"(d) NEGOTIATED RULEMAKING.—If the Secretary develops any regulations implementing subsection (c)(2), the Secretary shall submit such proposed regulations to a negotiated rulemaking process, which shall include representatives of States, institutions of higher education, and educational and student organizations.

"(e) APPLICATION OF REQUIREMENTS.—The requirements of this section shall apply to both traditional teacher preparation programs and alternative routes to State certification and licensure programs.".

SEC. 2009. GENERAL PROVISIONS.

Section 208(a) of the Higher Education Act of 1965 (20 U.S.C. 1022g(a)) is amended by striking "sections 205 and 206" and inserting "section 205".

SEC. 2010. ELEVATION OF THE EDUCATION PROFESSION STUDY.

Part A of title II of the Higher Education Act of 1965 (20 U.S.C. 1022 et seq.) is amended by inserting after section 208 the following:

"SEC. 209. ELEVATION OF THE EDUCATION PROFESSION STUDY.

"(a) PURPOSE.—The purpose of this section is to authorize a feasibility study on the elevation of the education profession by examining State policies related to teacher and school leader education and certification, produce a comprehensive set of expectations that sets a high bar for entry into the profession and ensures that all entering teachers and school leaders are profession-ready, and develop recommendations to Congress on best practices with respect to elevating the education profession that are evidence-based, reliable, and verified by the field.

"(b) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary of Education shall establish an Advisory Committee to carry out the elevation of the education profession study described in subsection (c) and make recommendations to Congress on the findings.

"(2) MEMBERSHIP OF THE ADVISORY COMMITTEE.—The Advisory Committee shall include representatives or advocates from the following categories:

"(A) Teacher unions.

"(B) School leader organizations.

"(C) State and local chief executives or their representatives.

"(D) State educational agencies and local educational agencies.

"(E) Teacher and school leader advocacy organizations.

"(F) School administrator organizations.

"(G) Institutions of higher education, including colleges of teacher education.

"(H) Civil rights organizations.

"(I) Organizations representing students with disabilities.

"(J) Organizations representing English learners.

"(K) Nonprofit organizations representing subject-fields, such as STEM Educator organizations, comprehensive literacy Educator organizations, and arts and humanities educator organizations.

"(L) Professional development organizations.

"(M) Educational technology organizations.

"(N) Nonprofit research organizations.

"(O) Organizations representing nontraditional pathways into teacher and school leader education.

"(P) Organizations representing parents.

"(c) DUTIES OF THE ADVISORY COMMITTEE.—

"(1) FEASIBILITY STUDY.—The Advisory Committee shall conduct a feasibility study to—

"(A) assess the state of policies and practices related to teacher and school leader education and entry into the profession including barriers to achieving certification and licensure, best practices in producing profession-ready teachers and school leaders, and recruitment and retention of teachers and school leaders in schools;

"(B) compile best practices for educating and training profession-ready teachers and school leaders including evidence-based practices for training teachers and school leaders to support diverse learners, developing teacher and school leaders, and successful pre-service and in-service educational activities;

"(C) review certification and credentialing practices throughout the Nation including minimum standards in each State, differences in types of credentials, and impact of different certification processes in each State for teachers and school leaders who relocate; and

"(D) recommend a comprehensive set of rigorous expectations for States standards to elevate the profession of teaching and to produce profession-ready teachers and school leaders prepared to educate diverse learners in inclusive educational settings.

"(2) REPORTS.—

"(A) Not later than 1 year after the Advisory Committee's first meeting, the Committee shall submit an interim report to the Secretary and to the authorizing committees detailing the methods of the study and progress in developing the set of comprehensive and rigorous expectations.

"(B) Not later than 3 years after the Advisory Committee's first meeting, the Committee shall submit a final report to the Secretary and to the authorizing committees detailing the findings, recommendations, and suggested set of comprehensive and rigorous expectations.

"(3) DISSEMINATION OF INFORMATION.—In carrying out the study under paragraph (1), the Secretary shall, after the release of the study, disseminate information found in the study in an accessible format to all stakeholders.

"(4) DATABASE.—Not later than 180 days after the date of the enactment of this subsection, the Secretary shall produce an electronically accessible clearinghouse of State certification procedures and best State practices for producing and retaining profession-ready teachers and school leaders.".

SEC. 2011. AUTHORIZATION OF APPROPRIATIONS.

Part A of title II of the Higher Education Act of 1965 (20 U.S.C. 1022 et seq.) is amended—

(1) by redesignating section 209 as section 210; and

(2) in section 210, as so redesignated—

(A) by striking "$300,000,000" and inserting "$500,000,000";

(B) by striking "2009" and inserting "2019"; and

(C) by striking "two succeeding" and inserting "5 succeeding".

PART B—ENHANCING TEACHER AND SCHOOL LEADER EDUCATION

SEC. 2101. ENHANCING TEACHER AND SCHOOL LEADER EDUCATION.

Part B of title II of the Higher Education Act of 1965 (20 U.S.C. 1031 et seq.) is amended to read as follows:

"PART B—ENHANCING TEACHER AND SCHOOL LEADER EDUCATION

"SEC. 230. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this part $100,000,000 for fiscal year 2020 and each of the 5 succeeding fiscal years.

"(b) DISTRIBUTION OF FUNDS.—Subparts 1 through 4 of this part shall each receive a minimum of 20 percent of the amount appropriated for a fiscal year, and the Secretary shall have discretion over the distribution under this part of the remaining amount appropriated for such fiscal year.

"Subpart 1—Honorable Augustus F. Hawkins Centers of Excellence

"SEC. 231. FINDINGS.

"Congress finds the following:

"(1) Our Nation's schools are experiencing a severe teacher diversity gap that negatively impacts student achievement and school culture—50 percent of current students are students of color while only 18 percent of teachers are of color, according to a 2016 study by the Brookings Institution.

"(2) A 2016 report conducted by the Department of Education shows that teachers of color tend to provide more culturally relevant teaching and better understand the situations that students of color may face. These factors help in the development of trusting teacher-student relationships. Researchers from Vanderbilt University also found that greater racial and ethnic diversity in the principal corps benefits students, especially students of color.

"(3) Teachers and school leaders of color can also serve as cultural ambassadors who help students feel more welcome at school or as role models.

"(4) Research consistently shows that increasing diversity in the teaching profession can have positive impacts on student educational experiences and outcomes. Students of color demonstrate greater academic achievement and social-emotional development in classes with teachers of color. Studies also suggest that all students, including white students, benefit from having teachers of color offering their distinctive knowledge, experiences, and role modeling to the student body as a whole.

"SEC. 232. PURPOSE.

"The purpose of this subpart is to strengthen and expand the recruitment, training, and retention of candidates of color into the teaching profession.

"SEC. 233. ELIGIBLE INSTITUTION DEFINED.

"In this subpart, the term 'eligible institution' means an institution of higher education that has a teacher or school leader preparation program that is a accredited by the State and that is—

"(1) a part B institution (as defined in section 322);

"(2) a Hispanic-serving institution (as defined in section 502);

"(3) a Tribal college or university (as defined in section 316);

"(4) an Alaska Native-serving institution (as defined in section 317(b));

"(5) a Native Hawaiian-serving institution (as defined in section 317(b));

"(6) a predominantly black institution (as defined in section 318);

"(7) an Asian-American and Native American Pacific Islander-serving institution (as defined in section 320(b));

"(8) a Native American-serving, nontribal institution (as defined in section 319);

"(9) a consortium of any of the institutions described in paragraphs (1) through (8); or

"(10) an institution described in paragraphs (1) through (8), or a consortium described in paragraph (9), in partnership with any other institution of higher

education, but only if the center of excellence established under section 234 is located at an institution described in paragraphs (1) through (8).

"SEC. 234. AUGUSTUS F. HAWKINS CENTERS OF EXCELLENCE.

"(a) PROGRAM AUTHORIZED.—From the amounts provided to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible institutions to establish centers of excellence.

"(b) USE OF FUNDS.—An eligible institution shall use a grant received under this subpart to ensure that programs offered at a center of excellence established by such institution prepare current and future teachers or school leaders to be profession-ready, and meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C)), by carrying out one or more of the following activities:

"(1) Implementing reforms within teacher or school leader preparation programs to ensure that such programs are preparing teachers or school leaders who meet such applicable State certification and licensure requirements or qualifications, and are using evidence-based instructional practices to improve student academic achievement, by—

"(A) retraining or recruiting faculty; and

"(B) designing (or redesigning) teacher or school leader preparation programs that—

"(i) prepare teachers or school leaders to serve in low-performing schools and close student achievement gaps; and

"(ii) are based on—

"(I) rigorous academic content;

"(II) evidence-based research; and

"(III) challenging State academic standards as described in section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1)); and

"(iii) promote effective teaching skills.

"(2) Providing sustained and high-quality preservice clinical experience, which may include through high-quality teacher or leader residency programs, including the mentoring of prospective teachers by exemplary teachers or teacher leaders, substantially increasing interaction between faculty at institutions of higher education and new and experienced teachers, principals, school leaders, and other administrators at elementary schools or secondary schools, and providing support, including preparation time, for such interaction.

"(3) Developing and implementing initiatives to promote retention of teachers who meet such applicable State certification and licensure requirements or qualifications, and principals and other school leaders, including teachers, principals, and other school leaders of color, including programs that provide—

"(A) teacher or principal and other school leader mentoring; and

"(B) induction and support for teachers and principals and other school leaders during their first three years of employment as teachers, principals, or other school leaders, respectively.

"(4) Awarding scholarships based on financial need to help students pay the costs of tuition, room, board, and other expenses of completing a teacher or other school leader preparation program at the Center of Excellence, not to exceed the cost of attendance as defined in section 472.

"(5) Disseminating information on effective practices for teacher or other school leader preparation and successful teacher or other school leader certification and licensure assessment preparation strategies.

"(6) Activities authorized under section 202.

"(c) APPLICATION.—Any eligible institution desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

"(d) LIMITATION ON ADMINISTRATIVE EXPENSES.—An eligible institution that receives a grant under this subpart may use not more than 2 percent of the funds provided to administer the grant.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this subpart.

"Subpart 2—Preparing Well-Rounded Teachers

"SEC. 241. WELL-ROUNDED TEACHING GRANTS.

"(a) FINDINGS.—Congress finds that—

"(1) students have diverse learning needs and teachers must be prepared to provide a high-quality, equitable education to every child;

"(2) improving the pedagogical competencies, behavior management skills, and cultural competencies of teacher candidates prepares them to effectively teach students from diverse backgrounds and increases the likelihood they will remain in the profession; and

"(3) teachers who hold dual certification and receive training in social and emotional learning competencies and nonexclusionary, positive behavior management practices are better prepared to create a supportive school climate and meet the needs of all students, including English learners, racially diverse students, students with disabilities, low-income students, and students who have experienced trauma.

"(b) PURPOSE.—The purpose of this subpart is to—

"(1) strengthen and expand teacher preparation programs that embed dual certification for teacher candidates in special education; and

"(2) strengthen and expand teacher preparation programs that embed training on inclusive practices, culturally responsive teaching, social and emotional learning competencies, universal design for learning, and nonexclusionary, positive behavior management practices to teacher candidates.

"(c) AUTHORIZATION OF PROGRAM.—

"(1) IN GENERAL.—From the amounts provided to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible partnerships to improve the preparation of general education teacher candidates to ensure that such teacher candidates possess the knowledge, skills, and credentials necessary to effectively instruct students with disabilities in general education classrooms, and an understanding of positive behavior-management practices that reduce the use of exclusionary and aversive disciplinary practices and create a supportive school climate.

"(2) DURATION OF GRANTS.—A grant under this subpart shall be awarded for a period of not more than 5 years.

"(3) NON-FEDERAL SHARE.—An eligible partnership that receives a grant under this subpart shall provide not less than 25 percent of the cost of the activities carried out with such grant from non-Federal sources, which may be provided in cash or in-kind.

"(d) DEFINITION OF ELIGIBLE PARTNERSHIP.—In this section, the term 'eligible partnership' means a partnership that—

"(1) shall include—

"(A) one or more departments or programs at an institution of higher education—

"(i) that prepare elementary or secondary general education teachers;

"(ii) that have a program of study that leads to an undergraduate degree, a master's degree, or completion of a postbaccalaureate program required for teacher certification; and

"(iii) the profession-ready graduates of which meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C));

"(B) a department or program that has expertise in special education at an institution of higher education; and

"(C) a high-need local educational agency; and

"(2) may include—

"(A) a department or program of mathematics, earth or physical science, foreign language, or another department at the institution that has a role in preparing teachers; or

"(B) a non-profit, research-based organization.

"(e) ACTIVITIES.—An eligible partnership that receives a grant under this section—

"(1) shall use the grant funds to—

"(A) develop or strengthen an undergraduate, postbaccalaureate, or master's teacher preparation program by integrating special education pedagogy into the general education curriculum and academic content that results in applicable dual State certification for teacher candidates who complete the program;

"(B) develop or strengthen an undergraduate, postbaccalaureate, or master's teacher preparation program by embedding social and emotional learning strategies, inclusive practices, culturally responsive teaching, and non-

exclusionary, positive behavior-management practices into the general education curriculum and academic content;

"(C) provide teacher candidates participating in the program under subparagraph (A) with skills related to—

"(i) response to intervention, positive behavioral interventions and supports (including eliminating the use of aversive interventions such as seclusion and restraints), differentiated instruction, and data-driven instruction (including the use of data to identify and address disparities in rates of discipline among student subgroups);

"(ii) universal design for learning;

"(iii) determining and utilizing accommodations for instruction and assessments for students with disabilities;

"(iv) collaborating with stakeholders such as special educators, related services providers, out-of-school time providers, and parents, including participation in individualized education program development and implementation;

"(v) appropriately utilizing technology and assistive technology for students with disabilities; and

"(vi) effectively and equitably using technology for digital and blended learning;

"(D) provide teacher candidates participating in the program under subparagraph (B) with skills related to—

"(i) social and emotional learning competencies;

"(ii) positive behavior interventions and supports or multitiered systems of support;

"(iii) trauma-informed care;

"(iv) evidenced-based restorative justice practices; and

"(v) culturally responsive teaching and anti-bias training that is evidence-based; and

"(E) provide extensive clinical experience for participants described in subparagraphs (A) and (B) with mentoring and induction support throughout the program that continues during the first 2 years of full-time teaching.

"(f) APPLICATION.—

"(1) APPLICATION REQUIREMENTS.—An eligible partnership seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

"(A) a self-assessment by the eligible partnership of the existing teacher preparation program at the institution of higher education and needs related to preparing general education teacher candidates to instruct students with disabilities; and

"(B) an assessment of the existing personnel needs for general education teachers who instruct students with disabilities, performed by the high-need local educational agency described in subsection (d)(1)(C).

"(2) PEER REVIEW.—

"(A) IN GENERAL.—The Secretary shall convene a peer review committee to review applications for grants under this subpart and to make recommendations to the Secretary regarding the selection of eligible partnerships for such grants.

"(B) MEMBERSHIP.—Members of the peer review committee shall be recognized experts in the fields of special education, social and emotional learning, teacher preparation, and general education and shall not be in a position to benefit financially from any grants awarded under this section.

"(g) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this subpart, the Secretary shall, to the maximum extent possible, provide for an equitable geographic distribution of such grants.

"(h) EVALUATIONS.—

"(1) BY THE PARTNERSHIP.—

"(A) IN GENERAL.—An eligible partnership receiving a grant under this subpart shall conduct an evaluation at the end of the grant period to determine—

"(i) the effectiveness of the general education teachers who completed a program under subsection (c)(1) with respect to instruction of students with disabilities in general education classrooms; and

"(ii) the systemic impact of the activities carried out by such grant on how each institution of higher education that is a member of the partnership prepares teachers for instruction in elementary schools and secondary schools.

"(B) REPORT TO THE SECRETARY.—Each eligible partnership performing an evaluation under subparagraph (A) shall report the findings of such evaluation to the Secretary.

"(2) REPORT BY THE SECRETARY.—Not later than 180 days after the last day of the grant period for which an evaluation was conducted under paragraph (1), the Secretary shall make available to the authorizing committees and the public the findings of the evaluations submitted under paragraph (1), and information on best practices related to effective instruction of students with disabilities in general education classrooms.

"Subpart 3—Preparing Teachers for English-Learner Instruction

"SEC. 251. TEACHING ENGLISH LEARNERS GRANT.

"(a) AUTHORIZATION OF PROGRAM.—The Secretary shall award grants, on a competitive basis, to eligible partnerships to improve the preparation of teacher candidates to ensure that such teacher candidates possess the knowledge and skills necessary to effectively instruct English learners.

"(b) DURATION OF GRANTS.—A grant under this section shall be awarded for a period of not more than 5 years.

"(c) NON-FEDERAL SHARE.—An eligible partnership that receives a grant under this section shall provide not less than 25 percent of the cost of the activities carried out with such grant from non-Federal sources, which may be provided in cash or in kind.

"(d) ELIGIBLE PARTNERSHIP.—The term 'eligible partnership' means an eligible institution of higher education in partnership with a high-need local educational agency or a high-need early childhood education program.

"(e) USES OF FUNDS.—An eligible partnership that receives a grant under this section shall use the grant to—

"(1) develop or strengthen an undergraduate, postbaccalaureate, or master's teacher preparation program by integrating strategies for teaching English learners into the education curriculum and academic content;

"(2) provide teacher candidates participating in a program under paragraph (1) with skills related to—

"(A) helping English learners—

"(i) achieve at high levels in prekindergarten programs, and elementary schools and secondary schools so that such English learners can meet the challenging State academic standards adopted under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1)) by the State of the school attended by the English learners, which all children in the State are expected to meet; and

"(ii) attain English proficiency;

"(B) appropriately identifying and meeting the specific learning needs of children with disabilities who are English learners;

"(C) appropriately using universal design for learning;

"(D) recognizing and addressing the social and emotional needs of English learners; and

"(E) promoting parental, family, and community engagement in educational programs that serve English learners;

"(3) provide authentic clinical learning opportunities for teacher candidates participating in the program involving sustained interactions with teachers and English learners at public prekindergarten programs, or elementary schools or secondary schools, to the extent practicable, or simulated environments at the eligible institution of higher education involved, that foster in-depth, first-hand engagement with tasks required of a teacher providing instruction to English learners; and

"(4) provide teacher candidates with the required coursework to qualify for an English-as-a-second-language certification, endorsement, or initial teaching credential, as recognized by the State of the eligible partnership.

"(f) APPLICATION.—An eligible partnership seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

"(1) a self-assessment by the eligible partnership of the existing teacher preparation program at the institution of higher education and the needs related to preparing teacher candidates to instruct English learners in the manner described in subsection (d)(2); and

"(2) a self-assessment by the eligible partnership of the personnel needs for teachers who instruct English learners at local, public prekindergarten programs, and elementary schools and secondary schools.

"(g) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the maximum extent possible, provide for an equitable geographic distribution of such grants.

"(h) EVALUATIONS.—

"(1) REPORT FROM ELIGIBLE PARTNERSHIPS.—An eligible partnership receiving a grant under this section shall submit to the Secretary the results of an evaluation conducted by the partnership at the end of the grant period to determine—

"(A) the effectiveness of teachers who completed a program under subsection (d)(1) with respect to instruction of English learners; and

"(B) the systemic impact of the activities carried out by such grant on how such partnership prepares teachers to provide instruction in prekindergarten programs, and elementary schools and secondary schools.

"(2) REPORT FROM THE SECRETARY.—Not later than 180 days after the last day of the grant period under this section, the Secretary shall make available to the authorizing committees and the public—

"(A) the findings of the evaluations submitted under paragraph (1); and

"(B) information on best practices related to effective instruction of English learners.

"Subpart 4—Graduate Fellowships To Prepare Faculty in High-Need Areas at Colleges of Education

"SEC. 261. GRADUATE FELLOWSHIPS TO PREPARE FACULTY IN HIGH-NEED AREAS AT COLLEGES OF EDUCATION.

"(a) GRANTS BY SECRETARY.—From the amounts provided to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible institutions to enable such institutions to make graduate fellowship awards to qualified individuals in accordance with the provisions of this section.

"(b) ELIGIBLE INSTITUTIONS.—In this section, the term 'eligible institution' means an institution of higher education, or a consortium of such institutions, that offers a program of postbaccalaureate study leading to a doctoral degree.

"(c) APPLICATIONS.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(d) TYPES OF FELLOWSHIPS SUPPORTED.—

"(1) IN GENERAL.—An eligible institution that receives a grant under this subpart shall use the grant funds to provide graduate fellowships to individuals who are preparing for the professorate in order to prepare individuals to become elementary school and secondary school science, technology, engineering, and math teachers, special education teachers, and teachers who provide instruction for English-learners, who meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C)).

"(2) TYPES OF STUDY.—A graduate fellowship provided under this section shall support an individual in pursuing postbaccalaureate study, which leads to a doctoral degree and may include a master's degree as part of such study, related to teacher preparation and pedagogy in one of the following areas:

"(A) Science, technology, engineering, mathematics, and computer science, and their related subfields, if the individual has completed a master's degree in mathematics, engineering, science, or computer science and is pursuing a doctoral degree in mathematics, science, engineering, or education.

"(B) Special education.

"(C) The instruction of English-learners, including postbaccalaureate study in language instruction educational programs.

"(e) FELLOWSHIP TERMS AND CONDITIONS.—

"(1) SELECTION OF FELLOWS.—The Secretary shall ensure that an eligible institution that receives a grant under this subpart—

"(A) shall provide graduate fellowship awards to individuals who plan to pursue a career in instruction at an institution of higher education that has a teacher preparation program; and

"(B) may not provide a graduate fellowship to an otherwise eligible individual—

"(i) during periods in which such individual is enrolled at an institution of higher education unless such individual is maintaining satisfactory academic progress in, and devoting full-time study or research to, the pursuit of the degree for which the fellowship support was provided; or

"(ii) if the individual is engaged in gainful employment, other than part-time employment related to teaching, research, or a similar activity determined by the institution to be consistent with and supportive of the individual's progress toward the degree for which the fellowship support was provided.

"(2) AMOUNT OF FELLOWSHIP AWARDS.—

"(A) IN GENERAL.—An eligible institution that receives a grant under this subpart shall award stipends to individuals who are provided graduate fellowships under this subpart.

"(B) AWARDS BASED ON NEED.—A stipend provided under this subpart shall be in an amount equal to the level of support provided by the National Science Foundation graduate fellowships, except that such stipend shall be adjusted as necessary so as not to exceed the fellowship recipient's demonstrated need, as determined by the institution of higher education where the fellowship recipient is enrolled.

"(3) SERVICE REQUIREMENT.—

"(A) TEACHING REQUIRED.—Each individual who receives a graduate fellowship under this subpart and earns a doctoral degree shall teach for 1 year at an institution of higher education that has a teacher preparation program for each year of fellowship support received under this section.

"(B) INSTITUTIONAL OBLIGATION.—Each eligible institution that receives a grant under this subpart shall provide an assurance to the Secretary that the institution has inquired of and determined the decision of each individual who has received a graduate fellowship to, within 3 years of receiving a doctoral degree, begin employment at an institution of higher education that has a teacher preparation program, as required by this section.

"(C) AGREEMENT REQUIRED.—Prior to receiving an initial graduate fellowship award, and upon the annual renewal of the graduate fellowship award, an individual selected to receive a graduate fellowship under this section shall sign an agreement with the Secretary agreeing to pursue a career in instruction at an institution of higher education that has a teacher preparation program in accordance with subparagraph (A).

"(D) FAILURE TO COMPLY.—If an individual who receives a graduate fellowship award under this section fails to comply with the agreement signed pursuant to subparagraph (C), the sum of the amounts of any graduate fellowship award received by such recipient shall, upon a determination of such a failure, be treated as a Federal Direct Unsubsidized Stafford Loan under part D of title IV, and shall be subject to repayment, together with interest thereon accruing from the date of the fellowship award, in accordance with terms and conditions specified by the Secretary in regulations under this subpart.

"(E) MODIFIED SERVICE REQUIREMENT.—The Secretary may waive or modify the service requirement of this paragraph in accordance with regulations promulgated by the Secretary with respect to the criteria to determine the circumstances under which compliance with such service requirement is inequitable or represents a substantial hardship. The Secretary may waive the service requirement if compliance by the fellowship recipient is determined to be inequitable or represent a substantial hardship—

"(i) because the individual is permanently and totally disabled at the time of the waiver request; or

"(ii) based on documentation presented to the Secretary of substantial economic or personal hardship.

"(f) INSTITUTIONAL SUPPORT FOR FELLOWS.—An eligible institution that receives a grant under this section may reserve not more than ten percent of the grant amount for academic and career transition support for graduate fellowship recipients and for meeting the institutional obligation described in subsection (e)(3)(B).

"(g) RESTRICTION ON USE OF FUNDS.—An eligible institution that receives a grant under this section may not use grant funds for general operational overhead of the institution.

"Subpart 5—General Provisions

"SEC. 281. COMPETITIVE PRIORITY.

"In awarding grants under subparts 1 through 4, the Secretary shall award competitive priority to eligible institutions, eligible partnerships, and eligible entities that demonstrate in the application for such a grant a plan to—

"(1) increase the diversity in the educator workforce through—

"(A) recruiting, enrolling, and preparing diverse teacher candidates; and

"(B) efforts that help retain diverse teacher candidates in high-needs schools;

"(2) address the shortage of teachers in high-needs fields including science, technology, engineering, arts, mathematics, or computer science through—

"(A) recruiting, enrolling, and preparing teacher candidates to achieve certification, as required by the State, to offer instruction in high-needs fields, including science, technology, engineering, music, arts, mathematics, or computer science; and

"(B) efforts that help retain teachers of high-needs fields in high-needs schools;

"(3) expand the pipeline of school leaders through preparing teacher leaders, which may be achieved by efforts that may include—

"(A) embedding pedagogical coursework for teacher candidates that fosters—

"(i) leadership and advocacy skills;

"(ii) knowledge of school management and finance;

"(iii) school operations and business skills;

"(iv) effective use and management of educational and accessible technology;

"(v) strategies for community and family engagement; and

"(vi) mentorship and coaching strategies; and

"(B) providing opportunities for teacher candidates to receive—

"(i) exposure to and modeling from teacher leaders and school leaders; and

"(ii) ongoing support and continuation of professional development on teacher or other school leadership once exiting the teacher or other school leader preparation program; and

"(4) recruit candidates with significant cultural and community competency related to the demographics of the student body in which the candidate will receive a placement, as measured by standards, specified in the plan, which may include—

"(A) a candidate's prior record of community service with school-aged children in the community;

"(B) nominations from members of the community; and

"(C) a candidate's involvement in relevant community organizations.".

TITLE III—INSTITUTIONAL AID

SEC. 3001. STRENGTHENING INSTITUTIONS.

Section 311(c) of the Higher Education Act of 1965 (20 U.S.C. 1057(c)) is amended—

(1) by striking paragraph (6) and inserting the following:

"(6) Tutoring, counseling, advising, and student service programs designed to improve academic success, including innovative and customized instructional courses (which may include remedial education and English language instruction) designed to help retain students and move the students rapidly into core courses and through program completion.";

(2) in paragraph (8), by striking "acquisition of equipment for use in strengthening funds management" and inserting "acquisition of technology, services, and equipment for use in strengthening funds and administrative management";

(3) in paragraph (12), by striking "Creating" and all that follows through "technologies," and inserting "Innovative learning models and creating or improving facilities for Internet or other innovative technologies,";

(4) by redesignating paragraph (13) as paragraph (17); and

(5) by inserting after paragraph (12) the following:

"(13) Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education.

"(14) The development, coordination, implementation, or improvement of postsecondary career and technical education programs as defined in section 135 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2355).

"(15) Alignment and integration of career and technical education programs with programs of study, as defined in section 3(41) of the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2302(41)), leading to a bachelor's degree, graduate degree, or professional degree.

"(16) Developing or expanding access to dual or concurrent enrollment programs and early college high school programs.".

SEC. 3002. STRENGTHENING INSTITUTIONS.

(a) PROGRAM PURPOSE.—Section 311(d) of the Higher Education Act of 1965 (20 U.S.C. 1057(d)) is amended—

(1) in paragraph (2)—

(A) by striking "non-Federal sources" and inserting "non-Federal sources (which may include gifts to the endowment fund restricted for a specific purpose)"; and

(B) by striking "or greater than" and inserting "50 percent of"; and

(2) by inserting after paragraph (3) the following:

"(4) SCHOLARSHIP.—An eligible institution that uses grant funds provided under this section to establish or increase an endowment fund may use the interest proceeds from such endowment to provide scholarships to students for the purposes of attending such institution.".

(b) TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES.—Section 316(c) of the Higher Education Act of 1965 (20 U.S.C. 1059c(c)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (D), by striking "Indians" and all that follows through "policy" and inserting "American Indians and Alaska Natives are underrepresented, instruction in Native American language, and instruction to support tribal governance, tribal public policy, and tribal history and sovereignty" and

(B) in subparagraph (L) by striking "outreach" and all that follows through "education" and inserting "outreach and recruitment activities and programs that encourage American Indian and Alaska Native elementary school students, secondary school students, and adults to develop the academic skills and the interest to pursue and succeed in postsecondary education"; and

(2) in paragraph (3)—

(A) in subparagraph (B)—

(i) by striking "matching funds" and inserting "matching funds (which may include gifts to the endowment fund restricted for a specific purpose)"; and

(ii) by striking "equal to the Federal funds" and inserting "equal to 50 percent of the Federal funds"; and

(B) by inserting after subparagraph (C) the following:

"(D) SCHOLARSHIPS.—An eligible institution that uses grant funds provided under this section to establish or increase an endowment fund may use the interest proceeds from such endowment to provide scholarships to students for the purposes of attending such institution.".

(c) ELIMINATION OF PRE-APPROVAL REQUIREMENT; USE OF UNEXPENDED FUNDS.—Section 316(d) of the Higher Education Act of 1965 (20 U.S.C. 1059c(d)) is amended—

(1) by striking paragraph (1);

(2) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively; and

(3) in paragraph (2), as so redesignated, by adding at the end the following:

"(C) USE OF UNEXPENDED FUNDS.—Any funds paid to an institution and not expended or used for the purposes for which the funds were paid during the 5-year period following the date of the initial grant award, may be carried over and expended during the succeeding 5-year period, if such funds were obligated for a purpose for which the funds were paid during the 5-year period following the date of the initial grant award.".

(d) PROMOTING THE SUSTAINABILITY OF NATIVE AMERICAN LANGUAGES.—Part A of title III of the Higher Education Act of 1965 (20 U.S.C. 1057 et seq.) is further amended by inserting after section 316 (20 U.S.C. 1059c) the following:

"SEC. 316A. NATIVE AMERICAN LANGUAGE VITALIZATION AND TRAINING PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—From the amount appropriated under subsection (d), the Secretary shall establish the Native American Language Vitalization and Training Program under which the Secretary shall award grants, on a competitive basis, to eligible institutions to promote the preservation, revitalization, relevancy, and use of Native American languages.

"(2) TERM.—The term of a grant under this section shall be not more than 5 years.

"(3) APPLICATION.—

"(A) STREAMLINED PROCESS.—In carrying out the program under this section, the Secretary shall establish application requirements in such a manner as to simplify and streamline the process for the grant application under this section.

"(B) IN GENERAL.—To be eligible to receive a grant under this subsection, an eligible institution shall submit to the Secretary an application at such time, in such manner, and in accordance with any other application requirements described in subparagraph (A), that the Secretary may prescribe, and including the following:

"(i) A description of the 5-year program of the eligible institution for meeting the needs of American Indians, Alaska Natives, Native Hawaiians, or Native American Pacific Islanders, as appropriate, in the area served by the institution, and how such plan is consistent with the purposes described in paragraph (1).

"(ii)(I) An identification of the population to be served by the eligible institution; and

"(II) an identification of the status of Native American language understanding and use within that population and a description of the manner in which the program will help preserve and revitalize the relevant Native American language.

"(iii) A description of the services to be provided under the program, including the manner in which the services will be integrated with other appropriate language programs available in the relevant community.

"(iv) A description, to be prepared in consultation with the Secretary, of the performance measures to be used to assess the performance of the eligible institution in carrying out the program.

"(b) USE OF FUNDS.—An eligible institution may use a grant under this section to carry out activities consistent with the purposes described in subsection (a)(1), including—

"(1) curriculum development and academic instruction, including educational activities, programs, and partnerships relating to students in early childhood education programs through grade 12;

"(2) professional development for faculty at the eligible institution and in-service training programs for early childhood education programs through grade 12 instructors and administrators; and

"(3) innovative Native American language programs for students in early childhood education programs through grade 12, including language immersion programs.

"(c) APPLICABILITY OF OTHER PROVISIONS.—

"(1) CONCURRENT FUNDING.—

"(A) TRIBAL COLLEGE OR UNIVERSITY.—An eligible institution that is a Tribal College or University may, concurrently, receive a grant under this section and funds under section 316.

"(B) ALASKA NATIVE-SERVING INSTITUTION OR NATIVE HAWAIIAN-SERVING INSTITUTION.—An eligible institution that is an Alaska Native-serving institution or Native Hawaiian-serving institution may, concurrently, receive a grant under this section and funds under section 317.

"(C) ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTION.—An eligible institution that is an Asian American and Native American Pacific Islander-serving institution may, concurrently, receive a grant under this section and funds under section 320.

"(2) EXEMPTION.—Sections 312(b) and 313(d) shall not apply to an eligible institution that receives a grant under this section.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $20,000,000 (of which $15,000,000 shall be available for Tribal Colleges or Universities and $5,000,000 shall be available for the institutions described in subparagraphs (B) through (D) of subsection (e)(1)) for fiscal year 2021 and each of the 5 succeeding fiscal years.

"(e) DEFINITIONS.—In this section:

"(1) ELIGIBLE INSTITUTION.—The term 'eligible institution' means—

"(A) a Tribal College or University, as defined in section 316;

"(B) an Alaska Native-serving institution, as defined in section 317;

"(C) a Native Hawaiian-serving institution, as defined in section 317; or

"(D) an Asian American and Native American Pacific Islander-serving institution, as defined in section 320, which is located in American Samoa, Guam, or the Commonwealth of the Northern Mariana Islands.

"(2) NATIVE AMERICAN.—The term 'Native American' has the meaning given the term in section 371(c)(6).".

(e) PREDOMINANTLY BLACK INSTITUTIONS.—Section 318(d)(3) of the Higher Education Act of 1965 (20 U.S.C. 1059e(d)(3)) is amended—

(1) in subparagraph (B)—

(A) by striking "non-Federal sources" and inserting "non-Federal sources (which may include gifts to the endowment fund restricted for a specific purpose)"; and

(B) by striking "equal to or greater than the Federal funds" and inserting "equal to 50 percent of the Federal funds"; and

(2) by inserting after subparagraph (C) the following:

"(D) SCHOLARSHIPS.—An eligible institution that uses grant funds provided under this section to establish or increase an endowment fund may use the interest proceeds from such endowment to provide scholarships to students for the purposes of attending such institution.".

(f) TECHNICAL CORRECTION TO SECTION 317.— Section 317(d)(3)(A) of the Higher Education Act of 1965 (20 U.S.C.1059d(d)(3)(A) is amended to read as follows:

"(A) ELIGIBILITY.—No Alaskan Native-serving institution of Native Hawaiian-serving institution that receives funds under this section shall concurrently receive funds under other provisions of this part, part B, or part A of title V.".

(g) TECHNICAL CORRECTION TO SECTION 318.—Section 318(i) of the Higher Education Act of 1965 (20 U.S.C. 1059e) is amended—

(1) in the subsection heading, by striking "SPECIAL RULE ON ELIGIBILITY" and inserting "SPECIAL RULES" ;

(2) by striking "No Predominantly" and inserting the following:

"(1) ELIGIBILITY.—No Predominantly"; and

(3) by adding at the end the following:

"(2) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.".

(h) TECHNICAL CORRECTION TO SECTION 320.—Section 320(d)(3)(A) of the Higher Education Act of 1965 (20 U.S.C. 1059g(d)(3)(A)) is amended by inserting "part A of" after "or".

SEC. 3003. STRENGTHENING HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

(a) ALLOWABLE USES OF FUNDS.—Section 323(a) of the Higher Education Act of 1965 (20 U.S.C. 1062(a)) is amended—

(1) by striking paragraphs (6) and (7) and inserting the following:

"(6) Tutoring, counseling, advising, and student service programs designed to improve academic success, including innovative and customized instructional courses (which may include remedial education and English language instruction) designed to help retain students and move students rapidly into core courses and through program completion.

"(7) Funds and administrative management, and acquisition of technology, services, and equipment for use in strengthening funds and administrative management.";

(2) in paragraph (10)—

(A) by striking "teacher education" and inserting "traditional or alternative route teacher preparation"; and

(B) by striking "preparation for teacher certification" and inserting "preparation of graduates for teacher certification or licensure";

(3) by redesignating paragraph (15) as paragraph (19); and

(4) by inserting after paragraph (14) the following:

"(15) Distance education programs and creating or improving facilities for internet or other distance learning academic instruction capabilities, including the purchase or rental of telecommunications technology equipment or services.

"(16) Establishing or improving a program that produces improved results in the educational outcomes of African American males.

"(17) Scholarships, fellowships, and other financial assistance for financially needy undergraduate students, as determined by the institution, to permit the enrollment and degree completion of such students in the physical or natural sciences, engineering, mathematics or other scientific disciplines in which Afri-

can Americas are underrepresented, except that not more than 30 percent of the grant amount may be used for this purpose.

"(18) Establishing or improving an office of sponsored programs to assist with identifying external funding opportunities, applying for external funding, and administering grant awards.".

(b) HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.—Section 323(b) of the Higher Education Act of 1965 (20 U.S.C. 1062(b)) is amended—

(1) in paragraph (2)—

(A) by striking "non-Federal sources" and inserting "non-Federal sources (which may include gifts to the endowment fund restricted for a specific purpose)"; and

(B) by striking "equal to or greater than the Federal funds" and inserting "equal to 50 percent of the Federal funds"; and

(2) by inserting after paragraph (3) the following:

"(4) SCHOLARSHIPS.—An eligible institution that uses grant funds provided under this section to establish or increase an endowment fund may use the interest proceeds from such endowment to provide scholarships to students for the purposes of attending such institution.".

(c) ALLOTMENTS AND APPLICATION PROCESS.—

(1) ALLOTMENTS.—Section 324 of the Higher Education Act of 1965 (20 U.S.C. 1063) is amended—

(A) in subsection (c), by striking "5" and inserting "6";

(B) in subsection (d)(1), by striking subparagraphs (A) and (B) and inserting the following:

"(A) less than $500,000 for a part B institution which has received a grant under this part, the Secretary shall award the part B institution an allotment in the amount of $500,000; and

"(B) less than $250,000 for a part B institution which has not received a grant under this part for a fiscal year prior to fiscal year 2019, the Secretary shall award the part B institution an allotment in the amount of $250,000."; and

(C) in subsection (h)—

(i) in paragraphs (1)(C) and (2)(C), by striking "within 5 years" each time it appears and inserting "within 6 years"; and

(ii) by adding at the end the following:

"(3) LIMITATION FOR NEW INSTITUTIONS.—Notwithstanding any other provision of this section, no part B institution that would otherwise be eligible for funds under this part shall receive an allotment under this part for a fiscal year, unless—

"(A) such institution received an allotment under this part for fiscal year 2019; or

"(B) the amount appropriated under section 399(a)(2)(A) for such fiscal year is not less than $282,420,000.".

(2) APPLICATIONS.—Section 325(c) of the Higher Education Act of 1965 (20 U.S.C. 1063a(c)) is amended by inserting ", including goals to enhance student retention, graduation, and postgraduate outcomes," after "management and academic programs".

(d) PROFESSIONAL OR GRADUATE INSTITUTIONS.—Section 326(c) of the Higher Education Act of 1965 (20 U.S.C. 1063b(c)) is amended—

(1) in paragraph (7)—

(A) by striking "equipment," and inserting "equipment, technology, and services,"; and

(B) by inserting "and administrative" after "in strengthening funds";

(2) by redesignating paragraph (12) as paragraph (13); and

(3) by striking paragraph (11) and inserting the following:

"(11) tutoring, counseling, advising, and student service programs designed to improve academic success, including innovative and customized instructional courses (which may include remedial education and English language instruction) designed to help retain students and move students rapidly into core courses and through program completion; and

"(12) distance education programs and creating or improving facilities for internet or other distance learning academic instruction capabilities, including the purchase or rental of telecommunications technology equipment or services; and".

(e) ELIGIBILITY.—Section 326(e)(1) of the Higher Education Act of 1965 (20 U.S.C. 1063b(e)) is amended—

(1) in subparagraph (W), by striking "and" at the end;

(2) in subparagraph (X), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(Y) University of the Virgin Islands School of Medicine.".

(f) CONFORMING AMENDMENT.—Section 326(f) of the Higher Education Act of 1965 (20 U.S.C. 1063b(f)) is amended by striking "through (X)" both places it appears and inserting "through (Y)".

(g) INTERACTION WITH OTHER GRANT PROGRAMS.—Section 326(h) of the Higher Education Act of 1965 (20 U.S.C. 1063b(h)) is amended by striking "or 724" and inserting "724, 727, or 729".

SEC. 3004. HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING.

(a) BOND INSURANCE AND CAPITAL FINANCE OF STEM FACILITIES.—Section 343 of the Higher Education Act of 1965 (20 U.S.C. 1066b) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "an escrow account" and inserting "a bond insurance fund";

(B) in paragraph (3), by inserting "(except that loans for the purpose of science, technology, engineering, or mathematics related academic facilities shall carry not more than a 1 percent rate of interest)" after "charge such interest on loans";

(C) in paragraph (8)—

(i) in the matter preceding subparagraph (A), by striking "an escrow account" and inserting "a bond insurance fund"; and

(ii) in subparagraph (A), by striking "the escrow account" and inserting "the bond insurance fund";

(D) in paragraph (9), by striking "escrow account" each place it appears and inserting "bond insurance fund"; and

(E) in paragraph (12), by striking ", except as otherwise required by the Secretary"; and

(2) in subsection (c), by striking "escrow account" each place it appears and inserting "bond insurance fund".

(b) INCREASED AGGREGATE BOND LIMIT.—Section 344(a) of the Higher Education Act of 1965 (20 U.S.C. 1066c(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "$1,100,000,000" and inserting "$3,600,000,000";

(2) in paragraph (1), by striking "$733,333,333" and inserting "two-thirds"; and

(3) in paragraph (2), by striking "$366,666,667" and inserting "one-third".

(c) STRENGTHENING TECHNICAL ASSISTANCE.—Section 345 of the Higher Education Act of 1965 (20 U.S.C. 1066d) is amended—

(1) by striking paragraph (9) and inserting the following:

"(9) may, directly or by grant or contract, provide financial counseling and technical assistance to eligible institutions to prepare the institutions to qualify, apply for, and maintain a capital improvement loan, including a loan under this part; and"; and

(2) by striking paragraph (10) and inserting the following:

"(10) may provide for the modification or deferment of a loan made under this part based on need of the institution, as defined by the Secretary, for a period not to exceed 6 fiscal years, and, during the period of deferment of such a loan, interest on the loan will not accrue or be capitalized.".

(d) HBCU CAPITAL FINANCING ADVISORY BOARD.—Paragraph (2) of Section 347(c) of the Higher Education Act of 1965 (20 U.S.C. 1066f(c)) is amended to read as follows:

"(2) REPORT.—On an annual basis, the Advisory Board shall prepare and submit to the authorizing committees a report on—

"(A) the financial status of the historically Black colleges and universities described in paragraph (1)(A);

"(B) an overview of all loans awarded under the program under this part, including the most recent loans awarded for the fiscal year in which the report is submitted; and

"(C) administrative and legislative recommendations for addressing the issues related to construction financing facing historically Black colleges and universities.".

SEC. 3005. STRENGTHENING HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND OTHER MINORITY-SERVING INSTITUTIONS.

Section 371(b) of the Higher Education Act of 1965 (20 U.S.C. 1067q(b)) is amended—

(1) in paragraph (1)(A)—

(A) in the first sentence, by striking "appropriated," and all that follows through "2019" and inserting the following: "appropriated, $300,000,000 for fiscal year 2021 and each succeeding fiscal year"; and

(B) by striking the second sentence; and

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) in clause (i), by striking "$100,000,000" and inserting "$117,500,000";

(ii) in clause (ii), by striking "$100,000,000" and inserting "$99,875,000";

(iii) in clause (ii), by striking "and" at the end;

(iv) in clause (iii)—

(I) by striking "$55,000,000" and inserting "$65,000,000"; and

(II) by striking "(D)" and inserting "(E)";

(v) by redesignating clause (iii) as clause (iv); and

(vi) by inserting after clause (ii) the following:

"(iii) $17,625,000 shall be available for allocation under subparagraph (D); and";

(B) by redesignating subparagraph (D) as subparagraph (E) and—

(i) in clause (i), by striking "$30,000,000" each place it appears and inserting "$35,000,000";

(ii) in clause (ii), by striking "$15,000,000" each place it appears and inserting "$18,000,000"; and

(iii) in clauses (iii) and (iv), by striking "$5,000,000" each place it appears and inserting "$6,000,000"; and

(C) by striking subparagraph (C) and inserting the following:

"(C) ALLOCATION AND ALLOTMENT HBCUS.—The amount made available for allocation under this subparagraph by subparagraph (A)(ii) for any fiscal year shall be available to eligible institutions described in subsection (a)(1) and shall be made available as grants under section 323 and allotted among such institutions under section 324, treating such amount, plus the amount appropriated for such fiscal year in a regular or supplemental appropriation Act to carry out part B of this title, as the amount appropriated to carry out part B of this title for purposes of allotments under section 324, for use by such institutions with a priority for—

"(i) activities described in paragraphs (1), (2), (4), (5), and (10) of section 323(a); and

"(ii) other activities, consistent with the institution's comprehensive plan and designed to increase the institution's capacity to prepare students for careers in the physical or natural sciences, mathematics, computer science or information technology or sciences, engineering, language instruction in the less-commonly taught languages or international affairs, or nursing or allied health professions.

"(D) ALLOCATION AND ALLOTMENT PBIS.—The amount made available for allocation under this subparagraph by subparagraph (A)(iii) for any fiscal year shall be available to eligible institutions described in subsection (a)(5) and shall be available for a competitive grant program to award grants of $600,000 annually for programs in any of the following areas:

"(i) science, technology, engineering, or mathematics (STEM);

"(ii) health education;

"(iii) internationalization or globalization;

"(iv) teacher preparation; or

"(v) improving educational outcomes of African American males.".

SEC. 3006. GENERAL PROVISIONS.

Section 399(a) of the Higher Education Act of 1965 (20 U.S.C. 1068h(a)) is amended—

(1) by striking "2009" each place it appears and inserting "2021";

(2) in paragraph (1)—

(A) in subparagraph (A), by striking "$135,000,000" and inserting "$150,000,000";

(B) in subparagraph (B), by striking "$30,000,000" and inserting "$45,000,000";

(C) in subparagraph (C), by striking "$15,000,000" and inserting "$25,000,000";

(D) in subparagraph (D), by striking "$75,000,000" and inserting "$90,000,000";

(E) in subparagraph (E), by striking "$25,000,000" and inserting "$30,000,000"; and

(F) in subparagraph (F), by striking "$30,000,000" and inserting "$60,000,000";

(3) in paragraph (2)—

(A) in subparagraph (A), by striking "$375,000,000" and inserting "$400,000,000"; and

(B) in subparagraph (B), by striking "$125,000,000" and inserting "$135,000,000";

(4) in paragraph (3), by striking "$10,000,000" and inserting "$220,000,000"; and

(5) in paragraph (4)(A), by striking "$185,000" and inserting "$225,000".

TITLE IV—STUDENT ASSISTANCE

SEC. 4001. EFFECTIVE DATE.

Except as otherwise provided in this title or the amendments made by this title, this title and the amendments made by this title shall take effect on July 1, 2021.

PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION

Subpart 1—Federal Pell Grants

SEC. 4011. AMOUNT OF GRANTS.

Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a) is amended—

(1) in subsection (a)(1)—

(A) by striking "through fiscal year 2017"; and

(B) by inserting "or as a postbaccalaureate in accordance with subsection (c)(1)(B)" after "as an undergraduate";

(2) in subsection (b)—

(A) in paragraph (2)(A)(ii), by striking "paragraph (7)(B)" and inserting "paragraph (6)(B)";

(B) by striking paragraph (6), and redesignating paragraph (7) as paragraph (6); and

(C) in paragraph (6)(C) (as so redesignated), by amending clause (iii) to read as follows:

"(iii) SUBSEQUENT AWARD YEARS.—

"(I) AWARD YEARS 2018–2019, 2019–2020 AND 2020–2021.—For each of the award years 2018–2019, 2019–2020, and 2020–2021 the amount determined under this subparagraph for purposes of subparagraph (B)(iii) shall be equal to the amount determined under clause (ii) for award year 2017–2018.

"(II) AWARD YEAR 2021–2022.—For award year 2021–2022, the amount determined under this subparagraph for purposes of subparagraph (B)(iii) shall be equal to—

"(aa) $6,195 or the total maximum Federal Pell Grant for the preceding award year (as determined under clause (iv)(II)), whichever is greater, increased by $625; reduced by

"(bb) $5,135 or the maximum Federal Pell Grant for which a student was eligible for the preceding award year, as specified in the last enacted appropriation Act applicable to that year, whichever is greater, and

"(cc) rounded to the neared $5.

"(III) AWARD YEAR 2022–2023 AND EACH SUBSEQUENT AWARD YEAR.—For award year 2022–2023 and each subsequent award year, the amount determined under this subparagraph for purposes of subparagraph (B)(iii) shall be equal to—

"(aa) $6,820 or the total maximum Federal Pell Grant for the preceding award year (as determined under clause (iv)(II)), whichever is greater, increased by a percentage equal to the annual adjustment percentage for the award year for which the amount under this subparagraph is being determined; reduced by

"(bb) $5,135 or the maximum Federal Pell Grant for which a student was eligible for the preceding award year, as specified in the last enacted appropriation Act applicable to that year, whichever is greater; and

"(cc) rounded to the nearest $5.";

(3) in subsection (f)—

(A) in paragraph (1), by striking the matter preceding subparagraph (A) and inserting the following: "After receiving an application for a Federal Pell Grant under this subpart, the Secretary (including any contractor of the Secretary processing applications for Federal Pell Grants under this subpart) shall, in a timely manner, furnish to the student financial aid administrator at each institution of higher education that a student awarded a Federal Pell Grant under this subpart is attending, the expected family contribution for each such student. Each such student financial administrator shall—"; and

(B) in paragraph (3), by striking "after academic year 1986–1987"; and

(4) in subsection (j)—

(A) in paragraph (1) by inserting before the period the following: ", or if such institution of higher education is subject to an ineligibility determination under section 435(a)(9) or 493I(b)"; and

(B) in paragraph (2) by inserting ", final adjusted cohort default rate, or on-time repayment rate" before "determination".

SEC. 4012. GRANT ELIGIBILITY.

Section 401(c) of the Higher Education Act of 1965 (20 U.S.C. 1070a(c)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) PERIOD OF ELIGIBILITY FOR GRANTS.—The period during which a student may receive Federal Pell Grants shall be the period required for the completion of the first undergraduate baccalaureate course of study being pursued by that student at the institution at which the student is in attendance except that—

"(A) any period during which the student is enrolled in a noncredit or remedial course of study as defined in paragraph (2) shall not be counted for the purpose of this paragraph; and

"(B) the period during which a student may receive Federal Pell Grants shall also include the period required for the completion of the first postbaccalaureate course of study at an eligible institution that meets the definition of institution of higher education in section 101, in a case in which—

"(i) the student received a Federal Pell Grant during the period required for the completion of the student's first undergraduate baccalaureate course of study for fewer than 14 semesters, or the equivalent of fewer than 14 semesters, as determined under paragraph (5);

"(ii) the student would otherwise be eligible for a Federal Pell Grant, but for the completion of such baccalaureate course of study; and

"(iii) the period during which the student receives Federal Pell Grants does not exceed the student's duration limits under paragraph (5).";

(2) in paragraph (5)—

(A) by striking "(5) The period" and inserting the following: "(5) MAXIMUM PERIOD.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the period";

(B) by striking "12" each place the term appears and inserting "14"; and

(C) by adding at the end the following:

"(B) EXCEPTION.—

"(i) IN GENERAL.—Any Federal Pell Grant that a student received during a period described in subclause (I) or (II) of clause (ii) shall not count toward the student's duration limits under this paragraph.

"(ii) APPLICABLE PERIODS.—Clause (i) shall apply with respect to any Federal Pell Grant awarded to a student to attend an institution—

"(I) during a period—

"(aa) for which the student received a loan under this title; and

"(bb) for which the loan described in item (aa) is forgiven under—

"(AA) section 437(c)(1) or 464(g)(1) due to the closing of the institution;

"(BB) section 493H due to the student's successful assertion of a defense to repayment of the loan; or

"(CC) section 432(a)(6), section 685.215 of title 34, Code of Federal Regulations (or a successor regulation), or any other loan forgiveness provision or regulation under this Act, as a result of a determination by the Secretary or a court that the institution committed fraud or other misconduct; or

"(II) during a period for which the student did not receive a loan under this title but for which, if the student had received such a loan, the student would have qualified for loan forgiveness under subclause (I)(bb).".

SEC. 4013. EXTENDING FEDERAL PELL GRANT ELIGIBILITY OF CERTAIN SHORT-TERM PROGRAMS.

(a) IN GENERAL.—Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a) is amended by inserting after subsection (j) the following:

"(k) JOB TRAINING FEDERAL PELL GRANT PROGRAM.—

"(1) IN GENERAL.—For the award year beginning on July 1, 2021, and each subsequent award year, the Secretary shall carry out a program through which the Secretary shall award job training Federal Pell Grants to students in eligible job training programs approved by the Secretary in accordance with paragraph (4).

"(2) TERMS AND CONDITIONS.—Each job training Federal Pell Grant awarded under this subsection shall have the same terms and conditions, and be awarded in the same manner, as a Federal Pell Grant awarded under subsection (a), except as follows:

"(A) A student who is eligible to receive a job training Federal Pell Grant under this subsection is a student who—

"(i) has not yet attained a postbaccalaureate degree; and

"(ii) is enrolled, or accepted for enrollment, in an eligible job training program at an institution of higher education.

"(B) The amount of a job training Federal Pell Grant for an eligible student shall be determined under subsection (b), except that subsection (b)(4) shall not apply.

"(3) TREATMENT OF JOB TRAINING FEDERAL PELL GRANT.—

"(A) INCLUSION IN TOTAL ELIGIBILITY PERIOD.—The period during which a student received a job training Federal Pell Grant under this subsection shall be included in calculating the duration limits with respect to such student under subsection (c)(5) and to the extent that such period was a fraction of a semester or the equivalent, only that same fraction of such semester or equivalent shall count towards such duration limits.

"(B) PREVENTION OF DOUBLE BENEFITS.—No student may for the same payment period receive both a job training Federal Pell Grant under this subsection and a Federal Pell Grant under subsection (a).

"(4) APPROVAL OF ELIGIBLE JOB TRAINING PROGRAMS.—

"(A) ELIGIBLE JOB TRAINING PROGRAM.—An eligible job training program shall be a career and technical education program at an institution of higher education that the Secretary determines meets the following requirements:

"(i) The job training program provides not less than 150, and less than 600, clock hours of instructional time over a period of not less than 8, and less than 15, weeks.

"(ii) The job training program provides training aligned with the requirements of high-skill, high-wage, or in-demand industry sectors or occupations in the State or local area in which the job training program is provided, as determined by an industry or sector partnership in such State or local area.

"(iii) The job training program has been determined by the institution of higher education and by such industry or sector partnership to provide academic content, an amount of instructional time, and a recognized postsecondary credential that are sufficient to—

"(I) meet the hiring requirements of potential employers in the sectors or occupations described in clause (ii); and

"(II) satisfy any applicable educational prerequisite requirement for professional license or certification, so that a student who completes the program and seeks employment is qualified to take any licensure or certification examination needed to practice or find employment in such sectors or occupations.

"(iv) The job training program prepares students to pursue related certificate or degree programs at an institution of higher education, including—

"(I) by ensuring the acceptability of the credits received under the job training program toward meeting such certificate or degree program requirements (such as through an articulation agreement); and

"(II) by ensuring that a student who completes noncredit coursework in the job training program, upon completion of the job

training program and enrollment in such a related certificate or degree program, will receive academic credit for such noncredit coursework that will be accepted toward meeting such certificate or degree program requirements.

"(v) The job training program provides to the Secretary the annual earnings expected to be paid in the sectors or occupations for which the program provides training not later than 6 months after completion of such program (in this subsection referred to as the 'expected earnings'), as such earnings are determined by an industry or sector partnership in the State or local area in which the program is provided, and which shall be—

"(I) greater than the average or median annual earnings paid to individuals with only a high school diploma (or the equivalent) based on the most recently available data from the Bureau of Labor Statistics or the Bureau of the Census with respect to such State or local area, or the Nation as a whole, as selected by such program;

"(II) validated by the Secretary; and

"(III) used to review the job training program under subparagraph (C).

"(vi) The job training program is part of a career pathway, and includes counseling for students to—

"(I) support each such student in achieving the student's education and career goals; and

"(II) ensure that each such student receives information on—

"(aa) the sectors or occupations described in clause (ii) for which the job training program provides training (including the expected earnings to be paid, and, if available, the mean and median earnings (described in subparagraph (C)(ii)) paid, in such sectors or occupations)); and

"(bb) the related certificate or degree programs described in clause (iv) for which the job training program provides preparation.

"(vii) The job training program meets the requirements under section 104 that are applicable to a program of training to prepare students for gainful employment in a recognized occupation.

"(viii) The job training program does not exceed by more than 50 percent the minimum number of clock hours required by a State to receive a professional license or certification in the State.

"(ix) The job training program is provided by an institution of higher education that—

"(I) is approved by an accrediting agency or association that meets the requirements of section 496(a)(4)(C);

"(II) during the preceding 5 years, has not been subject to any adverse actions or negative actions by the accrediting agency or association of the institution, State or Federal enforcement agencies, or the Secretary;

"(III) is listed on the provider list under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d)); and

"(IV) has a designated official responsible for engaging with the workforce development system in the State or local area in which the job training program is provided.

"(x) The job training program has a verified completion rate and a verified annual earnings rate that meets the requirements of clauses (i) and (iii) of section 481(b)(2)(A), respectively, and satisfies the criteria described in clause (v) of such section.

"(xi) The State board representing the State in which the job training program is provided certifies to the Secretary that the program meets the requirements of clauses (ii), (viii), and (ix)(III).

"(B) INITIAL APPROVAL BY THE SECRETARY.—Not later than 180 days after the date on which a job training program is submitted for approval under this subparagraph, the Secretary shall make a determination as to whether such job training program is an eligible job training program in accordance with subparagraph (A).

"(C) REVIEW OF APPROVAL.—

"(i) IN GENERAL.—Not later than 3 years after the date an eligible job training program is approved under subparagraph (B), and not less than once every 3 years thereafter, the Secretary shall, using the data collected under paragraph (5) and such other information as the Sec-

retary may require, determine whether such job training program continues to meet the requirements of subparagraph (A).

"(ii) REQUIREMENTS.—Subject to clause (iii), a determination under clause (i) that a job training program continues to meet the requirements of subparagraph (A) shall, at a minimum, require the Secretary to determine that the mean or median earnings (whichever is higher) paid to students not later than 6 months after completing such program is equal to or greater than the expected earnings of the program.

"(iii) EXCEPTION AND APPEALS.—

"(I) EXCEPTION.—The Secretary may extend, by not more than an additional 6 months, the period by when, after completion of the job training program, the mean or median earnings (whichever is higher) paid to students meets the requirements of clause (ii), in a case in which the job training program requesting such extension provides sufficient justification for such extension (as determined by the Secretary).

"(II) APPEALS.—Not later than 60 days after receiving notification from the Secretary of the loss of eligibility resulting from the review under subparagraph (C), a job training program may appeal any loss of eligibility under this subparagraph by demonstrating extenuating circumstances.

"(III) SECRETARIAL REQUIREMENTS.—The Secretary shall issue a decision on any appeal submitted by a job training program under subclause (II) not later than 45 days after its submission.

"(5) DATA COLLECTION.—Using the postsecondary student data system established under section 132(l) or a successor system (whichever includes the most recent data) to streamline reporting requirements and minimize reporting burdens, and in coordination with the National Center for Education Statistics, the Secretary of Labor, and each institution of higher education offering an eligible job training program under this subsection, the Secretary shall, on at least an annual basis, collect data with respect to each such eligible job training program, including the following:

"(A) The number and demographics of students who enroll in the program.

"(B) The number of credits attempted and accumulated annually by students enrolled in the program.

"(C) The share of such students who cease enrollment on or before the completion of 60 percent of the payment period or period of enrollment.

"(D) The verified completion rate and the verified annual earnings rate described in clauses (i) and (iii) of section 481(b)(2)(A), respectively, for the program.

"(E) The number and demographics of—

"(i) students who complete the program; and

"(ii) students who do not complete the program.

"(F) The outcomes of the students who complete the program, including—

"(i) the share of such students who continue enrollment at the institution of higher education offering the program;

"(ii) the share of such students who transfer to another institution of higher education;

"(iii) the share of such students who complete a subsequent certificate or degree program;

"(iv) the share of such students who secure employment 6 months and 1 year, respectively—

"(I) after completion of such program; or

"(II) in the case of a program that prepares students for a professional license or certification exam, after acquiring such license or certification;

"(v) the expected earnings in the sectors or occupations for which the program provides training;

"(vi) the mean and median earnings paid in such sectors or occupations to such students not later than 6 months after completing such program (as described in paragraph (4)(C)(ii)); and

"(vii) in the case of a job training program that prepares students for a professional license or certification exams, the share of such students who pass such exams.

"(6) TITLE OF JOB TRAINING FEDERAL PELL GRANT.—Grants made under this subsection shall be known as 'job training Federal Pell Grants'.

"(7) DEFINITIONS.—In this subsection:

"(A) ARTICULATION AGREEMENT.—The term 'articulation agreement' has the meaning given the term in section 486A.

"(B) CAREER AND TECHNICAL EDUCATION.—The term 'career and technical education' has the meaning given the term in section 3 of the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2302).

"(C) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means an eligible institution for purposes of this subpart that is an institution of higher education (as defined in section 101) or a postsecondary vocational institution (as defined in section 102(c)).

"(D) WIOA DEFINITIONS.—The terms 'career pathway', 'industry or sector partnership', 'in-demand industry sector or occupation', 'recognized postsecondary credential', 'State board', and 'workforce development system' have the meanings given such terms in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).".

(b) REPORT.—Not later than 3 years after the date of enactment of this Act, the Secretary of Education shall—

(1) submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on the impact of eligible job training programs described in subsection (k) of section 401 of the Higher Education Act of 1965 (20 U.S.C. 1079a), as added by this section, based on the most recent data collected under paragraph (5) of such subsection (k); and

(2) make the report described in paragraph (1) available publicly on the website of the Department of Education.

SEC. 4014. PROVIDING FEDERAL PELL GRANTS FOR IRAQ AND AFGHANISTAN VETERAN'S DEPENDENTS.

(a) AMENDMENT.—Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.) as amended by this subpart, is further amended by inserting after subsection (k) the following:

"(l) SCHOLARSHIPS FOR VETERAN'S DEPENDENTS.—

"(1) DEFINITION OF ELIGIBLE VETERAN'S DEPENDENT.—In this subsection, the term 'eligible veteran's dependent' means a dependent or an independent student—

"(A) whose parent or guardian was a member of the Armed Forces of the United States and died as a result of performing military service in Iraq or Afghanistan after September 11, 2001; and

"(B) who, at the time of the parent or guardian's death, was—

"(i) less than 24 years of age; or

"(ii) enrolled at an institution of higher education on a part-time or full-time basis.

"(2) GRANTS.—

"(A) IN GENERAL.—The Secretary shall award a Federal Pell Grant, as modified in accordance with the requirements of this subsection, to each eligible veteran's dependent to assist in paying the eligible veteran's dependent's cost of attendance at an institution of higher education.

"(B) DESIGNATION.—Federal Pell Grants made under this subsection may be known as 'Iraq and Afghanistan Service Grants'.

"(3) PREVENTION OF DOUBLE BENEFITS.—No eligible veteran's dependent may receive a grant under both this subsection and subsection (a) or (k).

"(4) TERMS AND CONDITIONS.—The Secretary shall award Iraq and Afghanistan Service Grants under this subsection in the same manner and with the same terms and conditions, including the length of the period of eligibility, as the Secretary awards Federal Pell Grants under subsection (a), except that—

"(A) the award rules and determination of need applicable to the calculation of Federal Pell Grants under subsection (a) shall not apply to Iraq and Afghanistan Service Grants;

"(B) the provisions of paragraph (2)(A)(iii) and (3) of subsection (b), and subsection (f), shall not apply;

"(C) the maximum period determined under subsection (c)(5) shall be determined by including all Iraq and Afghanistan Service Grants received by the eligible veteran's dependent, including such Grants received under subpart 10 before the date of enactment of the College Affordability Act; and

"(D) an Iraq and Afghanistan Service Grant to an eligible veteran's dependent for any award year shall equal the maximum Federal Pell Grant available under subsection (b)(5) for that award year, except that an Iraq and Afghanistan Service Grant—

"(i) shall not exceed the cost of attendance of the eligible veteran's dependent for that award year; and

"(ii) shall be adjusted to reflect the attendance by the eligible veteran's dependent on a less than full-time basis in the same manner as such adjustments are made for a Federal Pell Grant under subsection (a).

"(5) ESTIMATED FINANCIAL ASSISTANCE.—For purposes of determinations of need under part F, an Iraq and Afghanistan Service Grant shall not be treated as estimated financial assistance as described in sections 471(3) and 480(j).".

(b) EFFECTIVE DATE; TRANSITION.—

(1) EFFECTIVE DATE.—The amendments made by this section shall take effect with respect to the award year that begins following the date of enactment of this Act, and each succeeding award year.

(2) TRANSITION.—The Secretary shall take such steps as are necessary to transition from the Iraq and Afghanistan Service Grants program under subpart 10 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070h), as in effect on the day before the effective date of this Act, and the Iraq and Afghanistan Service Grants program under section 401(l) of the Higher Education Act of 1965 (20 U.S.C. 1070a(j)), as added by this section.

SEC. 4015. FEDERAL PELL GRANT FRAUD PREVENTION.

Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.), as amended by this subpart, is further amended by inserting after subsection (l) the following:

"(m) PREVENTION OF FRAUD.—

"(1) REPORT.—Not later than December 31 of each year, the Secretary shall prepare and submit a report to the authorizing committees that includes the following information with respect to unusual enrollment history:

"(A) The number and percentage of total applicants who were flagged for an unusual enrollment history in the preceding award year.

"(B) The number and percentage of institutions that have had fewer than 2 percent of applicants flagged for an unusual enrollment history in the preceding award year.

"(C) The name of each institution that has had more than 2 percent of total applicants flagged for an unusual enrollment history in the preceding award year.

"(D) If the percentage of total applicants in subparagraph (A) is greater than 2 percent, a detailed plan from the Secretary as to how to reduce that percentage below 2 percent by the following award year.

"(2) DEFINITION.—For the purposes of this subsection the term 'unusual enrollment history' means, with respect to the application for Federal student aid—

"(A) a pattern in which a student attends an institution long enough to receive a disbursement of credit balance funds authorized by this title, does not complete the enrollment period, enrolls at another institution and repeats this pattern to collect an additional credit balance of funds authorized by this title without earning academic credit; or

"(B) any other enrollment pattern that the Department believes may signal an attempt by a student to receive funds authorized under this title in a fraudulent manner.".

SEC. 4016. FEDERAL PELL GRANTS ON BEHALF OF INCARCERATED INDIVIDUALS.

(a) IN GENERAL.—Section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a), as amended by this subpart, is further amended by adding at the end the following:

"(n) FEDERAL PELL GRANTS ON BEHALF OF INCARCERATED INDIVIDUALS.—

"(1) INSTITUTIONAL REQUIREMENTS.—An eligible institution may not award a Federal Pell Grant to an incarcerated individual or on behalf of such individual, unless the institution meets the following:

"(A) The institution is approved to enroll incarcerated individuals by—

"(i) the Secretary in accordance with paragraph (2); and

"(ii) an accrediting agency or association that meets the requirements of section 496(a)(4)(D).

"(B) The institution—

"(i) is an institution of higher education (as defined in section 101) or a postsecondary vocational institution (as defined in section 102(c)); and

"(ii) during the preceding 5 years, has not been subject to the denial, withdrawal, suspension, or termination of accreditation.

"(C) The institution provides each incarcerated individual, upon completion of a course offered by the institution, with academic credits that are

the equivalent to credits earned by non-incarcerated students for an equivalent course of study.

"(D) The institution provides to the Secretary confirmation from each facility involved that the course of study offered by the institution at such facility is accessible to incarcerated individuals (including such individuals who are individuals with disabilities).

"(E) The institution does not enroll incarcerated individuals in a course of study offered primarily as a distance education program, except in a case in which the institution provides to the Secretary—

"(i) confirmation that the distance education program offers levels of faculty interaction, peer engagement, and student support sufficient to enable incarcerated individuals to successfully participate in such a program; and

"(ii) evidence of the institution's success in offering other distance education programs;

"(F) The institution develops and carries out a process to allow each incarcerated individual to access the transcripts and any other educational records of such individual held by the institution, without regard to the facility at which the individual is being held or whether the individual has been released from such a facility.

"(G) The institution develops and carries out a process to allow each incarcerated individual an opportunity to provide feedback on courses that is comparable to the opportunity to provide such feedback that the institution offers to non-incarcerated students.

"(H) The institution does not directly charge an incarcerated individual—

"(i) in the case of such an individual who is an individual with a disability, for any cost of the provision of reasonable accommodations for the individual to participate in a course of study offered by the institution;

"(ii) in the case of such an individual with an expected family contribution for an award year that would not disqualify the individual from receiving a Federal Pell Grant, for any amount of the cost of attendance not covered by the Federal Pell Grant or other Federal assistance received by the institution on behalf of the individual by ensuring that any such amount is offset—

"(I) by a State or institutional grant; or

"(II) other non-Federal financial assistance that does not have to be repaid by such individual; or

"(iii) in the case of such an individual with an expected family contribution for an award year that would disqualify the individual from receiving a Federal Pell Grant, an amount that exceeds such expected family contribution.

"(I) The institution makes available to incarcerated individuals who are considering enrolling in a course of study offered by the institution, in simple and understandable terms, the following:

"(i) Information with respect to each course of study at the institution for which such an individual may receive a Federal Pell Grant, including—

"(I) the cost of attendance;

"(II) the mode of instruction (such as distance education, in-person instruction, or a combination of such modes);

"(III) how enrollment in such course of study will impact the period of eligibility for Federal Pell Grants for such an individual, including in a case in which the individual is transferred to another facility or released before the completion of such course;

"(IV) the transferability of credits earned, and the acceptability of such credits toward a certificate or degree program offered by the institution;

"(V) the process for continuing postsecondary education—

"(aa) upon transfer to another facility; or

"(bb) after the student's period of incarceration or confinement; and

"(VI) the process for continuing enrollment at the institution after the student's period of incarceration or confinement, including any barriers to admission (such as criminal history questions on applications for admission to such institution).

"(ii) In the case of an institution that offers a program to prepare incarcerated individuals for gainful employment in a recognized occupation (as such term is defined in section 104)—

"(I) information on any applicable State licensure and certification requirements, including the requirements of the State in which the facility involved is located and each State in which such individuals permanently reside; and

"(II) restrictions related to the employment of formerly incarcerated individuals for each recognized occupation for which the course of study prepares students, including such restrictions—

"(aa) in Federal law; and

"(bb) in the laws of the State in which the facility involved is located and each State in which such individuals permanently reside.

"(J) The institution submits the information described in subparagraph (I) to each facility involved, the Secretary, and the accrediting agency or association described in subparagraph (A)(ii).

"(2) APPROVAL BY THE SECRETARY.—

"(A) INITIAL ELIGIBILITY.—With respect to an institution that seeks to award Federal Pell Grants to incarcerated individuals under this subsection, the Secretary shall make an initial determination about whether such institution meets the requirements of this subsection, which shall include a confirmation that the institution—

"(i) has secured the approval required under paragraph (1)(A)(ii); and

"(ii) meets the requirements of paragraph (1)(B).

"(B) ONGOING ELIGIBILITY.—Not later than 5 years after the Secretary makes an initial determination under subparagraph (A) that an institution meets the requirements of this subsection, and not less than every 5 years thereafter, the Secretary shall determine whether such institution continues to meet the requirements of this subsection, based on—

"(i) a review of the data collected under paragraph (3) with respect to the courses of study offered by such institution in which incarcerated individuals are enrolled, and other applicable information that may be available to the Secretary; and

"(ii) whether such institution meets the requirements of paragraph (1).

"(3) DATA COLLECTION.—The Secretary shall, on at least an annual basis, collect data with respect to each course of study offered by each institution at which incarcerated individuals are enrolled, including—

"(A) the demographics of such individuals;

"(B) the share of such individuals receiving Federal Pell Grants;

"(C) information on the academic outcomes of such individuals (such as credits attempted and earned, and credential and degree completion);

"(D) to the extent practicable, information on post-release outcomes of such individuals (such as continued postsecondary enrollment, employment, and recidivism); and

"(E) any data from student satisfaction surveys conducted by the institution or the facility involved regarding such course of study.

"(4) BEST PRACTICES IN EDUCATING INCARCERATED INDIVIDUALS.—Not later than 3 years after the date of enactment of the College Affordability Act, and at least once every 3 years thereafter, the Secretary shall collect and disseminate to institutions awarding Federal Pell Grants to incarcerated individuals under this subsection, best practices with respect to the postsecondary education of such individuals.

"(5) DEFINITIONS.—In this subsection:

"(A) FACILITY.—The term 'facility' means—

"(i) a place used for the confinement of individuals convicted of a criminal offense that is owned by, or under contract to, the Bureau of Prisons, a State, or a unit of local government; or

"(ii) a facility to which an individual subject to involuntary civil confinement is committed.

"(B) FACILITY INVOLVED.—The term 'facility involved' means, when used with respect to an institution of higher education, a facility at which a course of study of the institution is offered to incarcerated individuals.

"(C) INCARCERATED INDIVIDUAL.—The term 'incarcerated individual' means an individual who is incarcerated in a facility or who is subject to an involuntary civil commitment.

"(D) NON-INCARCERATED STUDENT.—The term 'non-incarcerated student' means a student at an institution of higher education who is not an incarcerated individual.".

(b) REPORT ON IMPACTS OF FEDERAL PELL GRANTS AWARDED TO INCARCERATED INDIVIDUALS.— Not later than 3 years after the date of enactment of this Act, the Sec-

retary of Education shall submit to the authorizing committees and make publicly available on the website of the Department of Education, a report on the impacts of subsection (n) of section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a), as added by this section, based on the most recent data collected under paragraph (3) of such subsection (n).

Subpart 2—Federal Early Outreach and Student Services Programs

CHAPTER 1—FEDERAL TRIO PROGRAMS

SEC. 4021. PROGRAM AUTHORITY; AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 402A of the Higher Education Act of 1965 (20 U.S.C. 1070a–11) is amended—

(1) in subsection (b)(3), by striking "$200,000" and all that follows through the period at the end and inserting the following: "$220,000, except that for any fiscal year for which such minimum individual grant amount would result in fewer than 2,780 grants awarded under this chapter, an individual grant authorized under this chapter shall be awarded in an amount that would result in not fewer than 2,780 grants awarded under this chapter for such fiscal year.";

(2) in subsection (c)—

(A) by amending subparagraph (A) of paragraph (2) to read as follows:

"(A) ACCOUNTABILITY FOR OUTCOMES.—In making grants under this chapter, the Secretary shall consider each applicant's prior success in achieving high-quality service delivery, as determined under subsection (f) under the particular program for which funds are sought. The level of consideration given the factor of prior success in achieving high-quality service delivery shall not vary from the level of consideration given such factor during fiscal years 1994 through 1997, except that grants made under section 402H shall not be given such consideration.";

(B) in paragraph (6)—

(i) in the heading, by striking "WITH OTHER PROGRAMS FOR DISADVANTAGED STUDENTS"; and

(ii) by striking the last sentence;

(C) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively;

(D) by inserting after paragraph (6) the following:

"(7) INCLUSION OF HOMELESS AND FOSTER STUDENTS.—The Secretary shall, as appropriate, require each applicant for funds under the programs authorized by this chapter (other than the programs authorized under section 402E or 402G) to identify and conduct outreach to foster care youth and homeless individuals and make available to foster care youth and homeless individuals services under such programs, including mentoring, tutoring, and other services provided by such programs.";

(E) in paragraph (8), as so redesignated, by striking "8 months" both places it appears and inserting "90 days"; and

(F) in paragraph (9), as so redesignated—

(i) in subparagraph (A)—

(I) by striking "Not later than 180 days after the date of enactment of the Higher Education Opportunity Act," and inserting "Not less than 90 days before the date on which a competition for a grant under this chapter begins,";

(II) in clause (iii), by striking "prior experience" and inserting "accountability for outcomes"; and

(III) in clause (v), by striking "prior experience" and inserting "accountability for outcomes"; and

(ii) by striking subparagraph (B) and redesignating subparagraph (C) as subparagraph (B);

(iii) in subparagraph (B), as so redesignated, by adding at the end the following:

"(vii) TECHNICAL COMPONENTS OF APPLICATIONS.—

"(I) TREATMENT OF NONSUBSTANTIVE TECHNICAL COMPONENTS OF APPLICATIONS.—With respect to any competition for a grant under this chapter, the Secretary may not reject grant applications on the sole basis of a failure to meet page limits and formatting standards (including with respect to font size, font style, font type, line spacing, paragraph justification, and page margins).

"(II) TREATMENT OF TECHNICAL BUDGET ERRORS IN APPLICATIONS.—

"(aa) IN GENERAL.—With respect to any competition for a grant under this chapter, the Secretary may not reject grant applications on the sole basis of a typographical or rounding error in a proposed budget until the Secretary has given the applicant an opportunity for correction in accordance with item (bb).

"(bb) NOTICE AND OPPORTUNITY FOR CORRECTION.—The Secretary shall provide notice and identification of an error described in item (aa) to the applicant before awarding grants for each competition and shall allow the applicant to submit a revised application that corrects the identified error.

"(cc) TREATMENT OF REVISED APPLICATIONS.—The Secretary shall treat the revised application in the same manner as a timely submitted application.

"(dd) FAILURE TO CORRECT.—If an applicant has received a notice and opportunity for correction of a typographical or rounding error in a proposed budget in accordance with item (bb) and the applicant fails to correct the error and submit a revised application, the Secretary may reject or penalize that grant application.";

(3) in subsection (d)(3), by adding at the end the following: "In addition, the Secretary shall host at least one virtual, interactive training to ensure that any interested applicants have access to technical assistance.";

(4) in subsection (e)—

(A) in paragraph (1)—

(i) by striking "or" at the end of subparagraph (C);

(ii) by striking the period at the end of subparagraph (D) and inserting a semicolon; and

(iii) by adding at the end the following:

"(E) documentation that the student has been determined eligible for a Federal Pell Grant authorized under section 401; or

"(F) for a grant authorized under section 402B or 402F of this chapter, documentation that a student is attending a school that—

"(i) elects, or for which the local educational agency serving the school elects on behalf of the school, to receive special assistance payment under section 11(a)(1)(F)(ii) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(a)(1)(F)(ii)); or

"(ii) had a percentage of enrolled students who were identified students (defined in clause (i) of section 11(a)(1)(F) of such Act (42 U.S.C. 1759a(a)(1)(F))) that meets or exceeds the threshold described in clause (viii) of such section (42 U.S.C. 1759a(a)(1)(F)) during the school year that ends prior to the first period for which such grant is awarded."; and

(B) in paragraph (2)—

(i) by striking "or" at the end of subparagraph (C);

(ii) by striking the period at the end of subparagraph (D) and inserting a semicolon; and

(iii) by adding at the end the following:

"(E) documentation that the student has been determined to be eligible for a Federal Pell Grant authorized under section 401; or

"(F) for a grant authorized under section 402B or 402F of this chapter, documentation that a student is attending a school that—

"(i) elects, or for which the local educational agency serving the school elects on behalf of the school, to receive special assistance payment under section 11(a)(1)(F)(ii) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(a)(1)(F)(ii)); or

"(ii) had a percentage of enrolled students who were identified students (defined in clause (i) of section 11(a)(1)(F) of such Act (42 U.S.C. 1759a(a)(1)(F))) that meets or exceeds the threshold described in clause (viii) of such section (42 U.S.C. 1759a(a)(1)(F)) during the school year that ends prior to the first period for which such grant is awarded.";

(5) in subsection (f)—

(A) in paragraph (1)—

(i) by striking "PRIOR EXPERIENCE" and inserting "ACCOUNTABILITY IN OUTCOMES" in the heading;

(ii) by striking "on or after January 1, 2009" and inserting "on or after the date of enactment of the College Affordability Act"; and

(iii) by striking "prior experience of" and inserting "success in achieving";

(B) in paragraph (2), by striking "college students, and" and inserting "college students, foster care youth, homeless individuals, and"; and

(C) in paragraph (3)—

(i) in subparagraph (A)—

(I) in clause (iv), by striking "will make such students eligible for programs such as the Academic Competitiveness Grants Program" and inserting "includes at least 4 years of mathematics, 3 years of science, and 2 years of a foreign language";

(II) by redesignating clauses (v) and (vi) as clauses (vi) and (vii), respectively; and

(III) by inserting after clause (iv) the following:

"(v) the completion of financial aid applications, including the Free Application for Federal Student Aid described in section 483(a) and college admissions applications;".

(ii) in subparagraph (B)—

(I) by inserting "except in the case of programs that specifically target veterans," after "under section 402C,";

(II) in clause (v), by striking "will make such students eligible for programs such as the Academic Competitiveness Grants Program" and inserting "includes at least 4 years of mathematics, 3 years of science, and 2 years of a foreign language";

(III) by redesignating clauses (vi) and (vii) as clauses (vii) and (viii), respectively; and

(IV) by inserting after clause (v) the following:

"(vi) the completion of financial aid applications, including the Free Application for Federal Student Aid described in section 483(a) and college admission applications;";

(iii) by redesignating subparagraphs (C), (D), and (E), as subparagraphs (D), (E), and (F), respectively;

(iv) by inserting after subparagraph (B) the following:

"(C) For programs authorized under section 402C that specifically target veterans, the extent to which the eligible entity met or exceeded the entity's objectives for such program regarding—

"(i) the delivery of service to a total number of students served by the program, as agreed upon by the entity and the Secretary for the period of the program;

"(ii) such students' academic performance as measured by standardized tests;

"(iii) the retention and completion of participants in the program;

"(iv) the provision of assistance to students served by the program in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a) and college admission applications;

"(v) the enrollment of such students in an institution of higher education; and

"(vi) to the extent practicable, the postsecondary completion of such students.";

(v) in subparagraph (D)(ii), as redesignated in clause (iii)—

(I) in subclause (I), by striking "in which such students were enrolled" and inserting "at any baccalaureate granting institution within 6 years of initial enrollment in the project"; and

(II) in subclause (II), by striking items (aa) and (bb) and inserting the following:

"(aa) the transfer of such students to institutions of higher education that offer baccalaureate degrees, regardless of whether the transferring student completes a degree or certificate; or

"(bb) the completion of a degree or certificate by such students at any accredited institution within 4 years of initial enrollment in the project;";

(vi) in subparagraph (E), as redesignated—

(I) in clause (iii), by striking "; and" and inserting "within 2 years of receiving the baccalaureate degree;"; and

(II) in clause (iv), by striking "graduate study and the attainment of doctoral degrees by former program participants." and inserting "graduate study; and

"(v) the attainment of doctoral degrees by former program participants within 10 years of receiving the baccalaureate degree."; and

(vii) in subparagraph (F), as redesignated—

(I) in clause (i), by inserting "within 2 years of service" before the semicolon; and

(II) in clause (ii), by inserting "or re-enrollment" after "the enrollment";

(6) in subsection (g)—

(A) by striking "$900,000,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years." and inserting "$1,120,000,000 for fiscal year 2021, and each of the 5 succeeding fiscal years. The amount authorized to be appropriated in the preceding sentence for fiscal year 2022 and each of the 4 succeeding fiscal years shall be deemed increased by the annual adjustment percentage. For purposes of this subsection, the term 'adjustment percentage' as applied to a fiscal year, means the estimated percentage change in the Consumer Price Index (as determined by the Secretary, using the definition in section 478(f)) for the most recent calendar year ending before the beginning of that fiscal year.";

(B) by striking "½ of";

(C) by striking ", and to provide" and inserting ", to provide"; and

(D) by striking "current grantees." and all that follows through "additional readers." and inserting "current grantees, and to carry out the requirements of subsection (c)(9)(A).";

(7) in subsection (h)—

(A) by striking paragraph (4) and inserting the following:

"(4) HOMELESS INDIVIDUAL.—The term 'homeless individual' has the meaning given the term 'homeless children and youth' under section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a).

"(5) LOW-INCOME INDIVIDUAL.—The term 'low-income individual' means—

"(A) an individual from a family whose taxable income for the preceding year did not exceed 150 percent of the poverty line applicable to the individual's family size as determined under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2));

"(B) an individual whose taxable income as reported on the individual's most recently completed Free Application for Federal Student Aid under section 483(a) did not exceed 150 percent of such poverty line;

"(C) an individual who has been determined to be eligible for a Federal Pell Grant authorized under section 401; or

"(D) for grants authorized under 402B and 402F of this chapter, a student who is attending a school that—

"(i) elects, or for which the local educational agency serving the school elects on behalf of the school, to receive special assistance payment under section 11(a)(1)(F)(ii) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(a)(1)(F)(ii)); or

"(ii) had a percentage of enrolled students who were identified students (defined in clause (i) of section 11(a)(1)(F) of such Act (42 U.S.C. 1759a(a)(1)(F))) that meets or exceeds the threshold described in clause (viii) of such section (42 U.S.C. 1759a(a)(1)(F)) during the school year that ends prior to the first year of the period for which such grant is awarded.";

(B) by redesignating paragraph (5) as subsection (i) and subparagraphs (A) through (D) as paragraphs (1) through (4); and

(C) by redesignating paragraph (6) as subsection (j); and

(8) in subsection (j), as redesignated, by striking "subparagraph (A), (B), or (C) of paragraph (5)" and inserting "paragraph (1), (2), or (3) of subsection (i)".

(b) CONFORMING AMENDMENTS.—Chapter 1 of subpart 2 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a–11) is amended—

(1) by striking "homeless children and youths as defined in section 725 of the McKinney-Vento Homeless Assistance Act" each place it appears and inserting "homeless individuals"; and

(2) by striking "homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a))" each place it appears and inserting "homeless individuals".

SEC. 4022. TALENT SEARCH.

Section 402B of the Higher Education Act of 1965 (20 U.S.C. 1070a–12) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking "and" at the end;

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following:

"(3) to advise such youths regarding the postsecondary education selection process, including consideration of financial aid awards offered, potential Federal loan burden, and likelihood of graduating; and";

(2) in subsection (b)—

(A) by striking "and" at the end of paragraph (5); and

(B) by striking paragraph (6) and inserting the following:

"(6) education or counseling services to assist students and their families regarding career choice; and

"(7) connections to programs providing financial literacy and economic literacy so that students and their families are able to make informed choices regarding postsecondary education, including considering degree choices and potential Federal loan burdens.";

(3) in subsection (c)(2), by striking "career" and inserting "academic"; and

(4) in subsection (d)—

(A) in paragraph (3), by striking "and" after the semicolon;

(B) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

"(5) require an assurance that the entity carrying out the project has reviewed and revised policies and practices as needed to remove barriers to the participation and retention in the project of homeless individuals, including unaccompanied youth and foster care youth;

"(6) require that such entity submit, as part of the application for the project, a description of the activities that will be undertaken to reach out to such homeless individuals and foster care youth as part of the project; and

"(7) require an assurance that such entity will prepare and submit the report required under section 402H(e) at the conclusion of the project regarding such homeless individuals and foster care youth.".

SEC. 4023. UPWARD BOUND.

Section 402C of the Higher Education Act of 1965 (20 U.S.C. 1070a–13) is amended—

(1) in subsection (b), by striking paragraphs (5) and (6) and inserting the following:

"(5) assistance to students and their families regarding career choice;

"(6) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents in order to aid them in making informed decisions about the postsecondary education selection process and assist students and their families in making informed choices regarding the postsecondary education selection process; and

"(7) in the case of such a project that is not specifically designed for veterans, as part of core curriculum, instruction in mathematics through pre-calculus, science, foreign language, language arts, and literature, and in the case of such a project that is specifically designed for veterans, instruction in mathematics through pre-calculus, science, foreign language, and language arts.";

(2) by striking subsections (c) and (g) and redesignating subsections (d), (e), (f), and (h) as subsections (c), (d), (e), and (f), respectively;

(3) in subsection (c), as so redesignated—

(A) in paragraph (1), by striking "youth" and inserting "participants";

(B) in paragraph (2)—

(i) by striking "youth participating in the project" and inserting "project participants"; and

(ii) by striking "youth;" and inserting "participants;" and

(C) in paragraph (5), by striking "youth participating in the project" and inserting "participants"; and

(4) in subsection (d), as so redesignated—

(A) in paragraph (4), by striking "and" after the semicolon;

(B) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

"(6) require an assurance that the entity carrying out the project has reviewed and revised policies and practices as needed to remove barriers to the participation and retention in the project of homeless individuals, including unaccompanied youth and foster care youth;

"(7) require that such entity submit, as part of the application, a description of the activities that will be undertaken to reach out to such homeless individuals and foster care youth regarding the project; and

"(8) require an assurance that such entity will prepare and submit the report required under section 402H(e) at the conclusion of the project regarding such homeless individuals and foster care youth."; and

(5) in subsection (e), as so redesignated—

(A) by striking "$60" and inserting "$90";

(B) by striking "$300" and inserting "$450";

(C) by striking "$40" and inserting "$60"; and

(D) by adding at the end the following: "Adults participating in a project specifically targeting veterans under this section may be paid stipends not in excess of $100 per month during the year.".

SEC. 4024. STUDENT SUPPORT SERVICES.

Section 402D of the Higher Education Act of 1965 (20 U.S.C. 1070a–14) is amended—

(1) in subsection (a)—

(A) in paragraph (3), by striking "limited English proficient" and inserting "low-income and first generation college students, including limited English proficient students"; and

(B) in paragraph (4), by striking ", including—" and all that follows through the end of the paragraph and inserting a period;

(2) in subsection (b)—

(A) in paragraph (4), by striking "including financial planning for postsecondary education;" and inserting "including—

"(A) financial planning for postsecondary education, including loan burdens required, repayment options, and expected earnings in potential career fields;

"(B) basic personal income, household money management, and financial planning skills; and

"(C) basic economic decisionmaking skills.";

(B) in paragraph (5), by striking "and" at the end;

(C) in paragraph (6), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following:

"(7) basic and emergency supplemental living assistance grants in accordance with subsection (f).";

(3) in subsection (e)—

(A) in paragraph (5), by striking "and" after the semicolon;

(B) in paragraph (6)(B), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

"(7) require an assurance that the entity carrying out the project has reviewed and revised policies and practices as needed to remove barriers to the participation and retention in the project of homeless individuals, including unaccompanied youth and foster care youth;

"(8) require that such entity submit, in the application for the project, a description of the activities that will be undertaken to reach out to such homeless individuals and foster care youth, who are enrolled or accepted for enrollment at the institution; and

"(9) require an assurance that such entity will prepare and submit the report required under section 402H(e) at the conclusion of the project regarding such homeless individuals and foster care youth."; and

(4) by adding at the end the following:

"(f) BASIC AND EMERGENCY SUPPLEMENTAL LIVING ASSISTANCE GRANTS.—

"(1) IN GENERAL.—In carrying out the activities required under subsection (b)(7) with a grant received under this section, the recipient of such grant shall provide basic and emergency supplemental living assistance grants to assist students who are current participants in the student support services program offered by the institution (in this subsection referred to as 'eligible students')—

"(A) in the case of a basic supplemental living assistance grant, in covering reasonable, anticipated expenses necessary for the completion of an academic year of the students' first undergraduate baccalaureate course of study; and

"(B) in the case of an emergency supplemental living assistance grant, in covering reasonable, unanticipated expenses necessary for the students to persist in college during such academic year.

"(2) AMOUNT OF GRANTS.—The recipient may determine—

"(A) the appropriate division of the funds between basic and emergency supplemental assistance grants, except that funds shall be provided for both basic and emergency grants;

"(B) the amount of each such grant and the total grant funds that an eligible student may receive, except that a student may not receive more than a total of $500 in emergency supplemental assistance grants per academic year; and

"(C) the anticipated and unanticipated expenses referred to in paragraph (1) that such grants will cover based on the needs of eligible students, which—

"(i) may vary by factors including academic year, housing, parental status, location in urban or rural area, or other circumstances; and

"(ii) for an individual student, may cover—

"(I) any component of the cost of attendance for the student;

"(II) an allowance for actual or expected expenses incurred for dependent care that exceeds such expenses determined for the student under section 472(8);

"(III) an allowance for actual or expected expenses for transportation that exceeds such expenses determined for the student under section 472; and

"(IV) personal items or expenses not otherwise covered by the cost of attendance for the student.

"(3) PERCENTAGE OF TOTAL FUNDS.—The recipient may use not more than 2 percent of the funds awarded under this section for grants under this subsection.

"(4) DETERMINATION OF NEED.—A grant provided to a student under this subsection shall not be considered in determining that student's need for grant or work assistance under this title, except that in no case shall the total amount of student financial assistance awarded to a student under this title exceed that student's cost of attendance by more than $500.

"(5) CONSULTATION.—In making grants to students under this subsection, an institution shall ensure that adequate consultation takes place between the student support service program office and the institution's financial aid office.

"(6) SUPPLEMENT, NOT SUPPLANT.—Funds received by a grant recipient that are used under this subsection shall be used to supplement, and not supplant, non-Federal funds expended for student support services programs.

"(7) FUNDS.—For a fiscal year for which the funds allocated for projects authorized under this section from the amounts appropriated pursuant to the authority of section 402A(g) exceeds the funds allocated for such purpose for fiscal year 2020, not more than 2 percent of such excess funds may be made available for grants under this subsection.".

SEC. 4025. POSTBACCALAUREATE ACHIEVEMENT PROGRAM AUTHORITY.

Section 402E of the Higher Education Act of 1965 (20 U.S.C. 1070a–15) is amended—

(1) in subsection (b)(2)—

(A) by striking "summer"; and

(B) by inserting "or faculty-led research experiences" before the semicolon;

(2) in subsection (d)(4)—

(A) by striking "summer"; and

(B) by inserting "or faculty-led experiences who have stipends" after "internships"; and

(3) in subsection (f)(1), by striking "$2,800" and inserting "$4,000".

SEC. 4026. EDUCATIONAL OPPORTUNITY CENTERS.

Section 402F of the Higher Education Act of 1965 (20 U.S.C. 1070a–16) is amended—

(1) in subsection (a)(1), by striking "pursue" and inserting "begin or re-enter";

(2) in subsection (b)(5), by striking "students;" and inserting "students, including—

"(A) financial planning for postsecondary education, including student loan debt, repayment options, and expected earnings in potential career fields;

"(B) basic personal income, household money management, and financial planning skills; and

"(C) basic economic decisionmaking skills;"; and

(3) in subsection (c)—

(A) in paragraph (2), by striking "and" after the semicolon;

(B) in paragraph (3), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

"(4) require an assurance that the entity carrying out the project has reviewed and revised policies and practices as needed to remove barriers to the participation and retention in the project of homeless individuals, including unaccompanied youth and foster care youth;

"(5) require that such entity submit, as part of the application, a description of the activities that will be undertaken to reach out to such homeless individuals and foster care youth regarding the project; and

"(6) require an assurance that such entity will prepare and submit the report required under section 402H(e) at the conclusion of the project regarding such homeless individuals and foster care youth.".

SEC. 4027. STAFF DEVELOPMENTAL ACTIVITIES.

Section 402G(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a–17(b)) is amended—

(1) by inserting "webinars, online classes," after "seminars, workshops,";

(2) by striking "new directors" and inserting "staff";

(3) by redesignating paragraphs (1) through (5) as paragraphs (2) through (6), respectively;

(4) by inserting before paragraph (2), as so redesignated, the following:

"(1) Legislative and regulatory requirements and program management for new directors of programs funded under this chapter.";

(5) in paragraph (2), as redesignated, by inserting "for continuing directors and staff of programs" after "operation of programs"; and

(6) in paragraph (4), as redesignated, by striking "model programs" and inserting "innovations".

SEC. 4028. REPORTS AND EVALUATIONS.

(a) OTHER REPORTING REQUIREMENTS.—Section 402H of the Higher Education Act of 1965 (20 U.S.C. 1070a–18) is further amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking ", including a rigorous evaluation of the programs and projects assisted under section 402C. The evaluation of the programs and projects assisted under section 402C shall be implemented not later than June 30, 2010" and inserting "The issues such evaluations shall measure shall include the effectiveness of programs and projects assisted under this chapter in—

"(i) meeting or exceeding the stated objectives regarding the outcome criteria under section 402A(f);

"(ii) enhancing the access of low-income individuals and first-generation college students to postsecondary education;

"(iii) preparing individuals for postsecondary education; and

"(iv) comparing students who participate in the programs funded under this chapter with students who do not participate in such programs with respect to—

"(I) level of education completed;

"(II) retention rates;

"(III) graduation rates;

"(IV) college admission and completion rates; and

"(V) other issues as the Secretary considers appropriate."; and

(ii) in subparagraph (C), by inserting "and take into account the agreed upon target determined under section 402A(f)(4)" before the period; and

(B) by amending paragraph (2) to read as follows:

"(2) PRACTICES.—The evaluations described in paragraph (1) shall identify institutional, community, and program or project practices that are effective in—

"(A) enhancing the access of low-income individuals and first-generation college students to postsecondary education;

"(B) the preparation of such individuals and students for postsecondary education;

"(C) fostering the success of the individuals and students in postsecondary education; and

"(D) for programs and projects assisted under section 402C, the characteristics of students who benefit most from such programs and projects."; and

(2) in subsection (d), by inserting ", including the authorizing committees" before the period.

(b) HOMELESS INDIVIDUALS AND FOSTER CARE YOUTH.—Section 402H of the Higher Education Act of 1965 (20 U.S.C. 1070a–18) is further amended by adding at the end the following:

"(e) REPORT REGARDING HOMELESS INDIVIDUALS AND FOSTER CARE YOUTH.—Each entity carrying out a project under section 402B, 402C, 402D, or 402F shall, at the conclusion of the project, prepare and submit a report to the Secretary that includes—

"(1) where available, data on the number of homeless individuals and foster care youth served through the project; and

"(2) a description of any strategies or program enhancements that were used in the project and that were effective in meeting the needs of such homeless individuals and foster care youth.".

CHAPTER 2—GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS

SEC. 4031. GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS.

Chapter 2 of subpart 2 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a–21 et seq.) is amended—

(1) in section 404A (20 U.S.C. 1070a–21)—

(A) in the matter preceding subparagraph (A) of subsection (a)(1), by inserting ", including for college readiness" after "academic support"; and

(B) in subsection (b)—

(i) by amending paragraph (3) to read as follows:

"(3) PRIORITY.—In making awards to eligible entities described in subsection (c), the Secretary may give a competitive priority—

"(A) to eligible entities that—

"(i) on the day before the date of enactment of the College Affordability Act, carried out successful educational opportunity programs under this chapter (as this chapter was in effect on such day); and

"(ii) have a prior, demonstrated commitment to early intervention leading to college access and readiness through collaboration and replication of successful strategies; or

"(B) to eligible entities that ensure that students that received assistance under this chapter on the day before the date of enactment of the College Affordability Act continue to receive such assistance through the completion of secondary school.";

(ii) by adding at the end the following:

"(4) MULTIPLE AWARD PROHIBITION.—

"(A) IN GENERAL.—An eligible entity described in subsection (c)(1) that receives a grant under this chapter shall not be eligible to receive an additional grant under this chapter until after the date on which the grant period with respect to such grant expires.

"(B) EXCEPTION FOR NO-COST EXTENSION.—Notwithstanding subparagraph (A), an eligible entity described in subsection (c)(1) that receives a grant under this chapter that has been extended under section 75.261 of title 34, Code of Federal Regulations may receive an additional grant under this chapter prior to the date on which the grant period applicable to such extension expires."; and

(2) in section 404B (20 U.S.C. 1070a–22)—

(A) in subsection (a), in the matter preceding paragraph (1), by inserting "(except with respect to continuation awards under this chapter)" after "grants"; and

(B) in subsection (d)(1)—

(i) in subparagraph (A), by inserting "and" after the semicolon;

(ii) in subparagraph (B), by striking "; and" and inserting a period; and

(iii) by striking subparagraph (C);

(3) in section 404C (20 U.S.C. 1070a–23)—

(A) in subsection (a)(2)—

(i) in subparagraph (I), by striking "and" after the semicolon;

(ii) in subparagraph (J), by striking the period at the end and inserting a semicolon; and

(iii) by adding at the end the following:

"(K) provide an assurance that the eligible entity has reviewed and revised policies and practices as needed to remove barriers to the participation and retention of homeless individuals (as defined in section 402A) in the program, including unaccompanied youth and foster care youth;

"(L) describe the activities that will be undertaken to reach out to such homeless individuals and foster care youth as part of the program; and

"(M) provide an assurance that the eligible entity will prepare and submit the report required under section 404G(c) at the conclusion of the grant regarding such homeless individuals and foster care youth.";

(B) in subsection (b)(1)(A)—

(i) by inserting "matching funds" after "will provide";

(ii) by inserting "equaling" after "private funds,"; and

(iii) by striking "the cost of the program, which matching funds" and inserting "the total Federal grant award under this chapter, which";

(C) in subsection (c)(1), by inserting "at any point during the grant award period" after "obligated to students"; and

(D) by striking subsection (d) and inserting the following:

"(d) PEER REVIEW PANELS AND COMPETITIONS.—The Secretary shall—

"(1) convene peer review panels to assist in making determinations regarding the awarding of grants under this chapter; and

"(2) host a grant competition to make new awards under this chapter in any year in which there are funds available to make new awards.";

(4) in section 404D (20 U.S.C. 1070a–24)—

(A) in subsection (b)—

(i) in paragraph (1), by striking "or former participants of a program under this chapter" and inserting ", former participants of a program under this chapter, or peers and near peers";

(ii) in paragraph (3), by inserting "academic, social, and postsecondary planning" after "supportive";

(iii) in paragraph (10)—

(I) by redesignating subparagraphs (E) through (K) as subparagraphs (F) through (L), respectively;

(II) by inserting after subparagraph (D) the following:

"(E) counseling or referral services to address the behavioral, social-emotional, and mental health needs of at-risk students;";

(III) in subparagraph (I), as redesignated by subclause (I), by inserting ", cognitive, non-cognitive, and credit-by-examination" after "skills";

(IV) in subparagraph (K), as redesignated by subclause (I), by striking "and" after the semicolon;

(V) in subparagraph (L), as redesignated by subclause (I), by striking the period at the end and inserting "; and"; and

(VI) by adding at the end the following:

"(M) capacity building activities that create college-going cultures in participating schools and local educational agencies."; and

(iv) by adding at the end the following:

"(16) Creating or expanding secondary school drop-out recovery programs that allow students who have dropped out of secondary school to complete a regular secondary school diploma and begin college-level work.

"(17) Establishing data collection and data sharing agreements to obtain, analyze, and report postsecondary outcome data for eligible students for a period of not more than 72 months after the end of the grant award period, which may include postsecondary enrollment, persistence, and completion data.

"(18) Establishing or maintaining an agreement with a consortium of eligible entities described in section 404A(c) to—

"(A) foster collaborative approaches to research and evaluation;

"(B) improve the quality of data collection, data sharing, analysis and reporting; and

"(C) apply evidence to improve programs and evaluation under this chapter.

"(19) Facilitating the recruitment, participation, and retention of homeless individuals (as defined in section 402A) and foster care youth in the services provided under this chapter, including—

"(A) establishing partnerships with community-based organizations, child welfare agencies, homeless shelters, and local educational agency liaisons for homeless individuals to identify such individuals and youth, improve policies and practices, and to establish data sharing agreements;

"(B) carrying out activities (consistent with the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301 et seq.)) to facilitate continued participation of students who are no longer enrolled in a school served under this chapter due to changes in residence resulting from homelessness or foster care placement, including—

"(i) allowing continued participation when such a student is no longer enrolled, on a temporary basis, in a school served under this chapter; or

"(ii) providing transitional services and referrals when such a student is no longer enrolled, on a permanent basis, in a school served under this chapter; and

"(C) carrying out other activities to meet the needs of such homeless individuals and foster care youth.

"(20) Providing services under this chapter to students who have received services under a previous grant award under this chapter but have not yet completed grade 12.";

(B) in subsection (c)—

(i) in paragraph (3), by inserting "and technical assistance" after "support"; and

(ii) by striking paragraph (9); and

(C) in subsection (d)—

(i) in paragraph (3), by striking "or";

(ii) by redesignating paragraph (4) as paragraph (5); and

(iii) by inserting after paragraph (3) the following:

"(4) eligible for free or reduced-price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.); or";

(5) in section 404E (20 U.S.C. 1070a–25)—

(A) in subsection (a)—

(i) by redesignating paragraph (2) as paragraph (3);

(ii) by inserting after paragraph (1) the following:

"(2) APPLICATION REQUIREMENTS.—

"(A) PLAN FOR MAINTENANCE OF FINANCIAL ASSISTANCE.—An eligible entity proposing to establish or maintain a financial assistance program providing scholarships for students assisted by the program of the eligible entity under this chapter shall include a plan regarding the financial application program with the application submitted under section 404C.

"(B) SCHOLARSHIP DETAILS.—Under a plan described in subparagraph (A), an eligible entity—

"(i) may elect to offer 1 or more types of scholarships; and

"(ii) shall describe, for each type of scholarship—

"(I) the minimum and maximum awards for the scholarships, consistent with subsection (d), based on criteria and disbursement priorities established by the eligible entity;

"(II) the duration of the scholarships, which may be single-year or multi-year awards;

"(III) the enrollment requirements for participating students, which may include providing scholarships for participating students who are enrolled in an institution of higher education on less than a full-time basis during any award year; and

"(IV) any additional student eligibility criteria established by the eligible entity for earning and maintaining scholarships under this section, including—

"(aa) financial need;

"(bb) meeting participation milestones in the activities offered by the eligible entity under section 404D;

"(cc) meeting and maintaining satisfactory academic milestones; and

"(dd) other criteria aligned with State and local goals to incentivize postsecondary readiness, access, and success."; and

(iii) in paragraph (3), as redesignated by clause (i), by striking "may award" and inserting "may use not less than 10 percent and not more than 50 percent of funds made available under this chapter to award";

(B) in subsection (b)—

(i) in the subsection heading, by striking "LIMITATION" and inserting "STATE LIMITATION"; and

(ii) in paragraph (2), by striking "eligible entity demonstrates" and all that follows through the period at the end and inserting the following: "eligible entity—

"(A) demonstrates that the eligible entity has another means of providing the students with the financial assistance described in this section or eligible students have reasonable access to State and local financial assistance programs; and

"(B) describes such means or access in the application submitted under section 404C.";

(C) in subsection (e)—

(i) by striking paragraph (1) and inserting the following:

"(1) IN GENERAL.—

"(A) SCHOLARSHIP PLAN.—Each eligible entity described in section 404A(c)(1) that receives a grant under this chapter shall hold in reserve, for the students served by such grant as described in section 404B(d)(1)(A) or 404D(d), an estimated amount that is based on the eligible entity's scholarship plan described in subsection (a)(1).

"(B) INTEREST USE.—Interest earned on funds held in reserve under subparagraph (A) may be used by the eligible entity to administer the scholarship program during the award period and through the post-award period described in paragraph (4).";

(ii) in paragraph (2)(B), by inserting ", or been accepted for enrollment," after "enrolled"; and

(iii) in paragraph (3)—

(I) in subparagraph (A), by striking "and" after the semicolon;

(II) by redesignating subparagraph (B) as subparagraph (C); and

(III) by inserting after subparagraph (A) the following:

"(B) the costs associated with enrolling in an institution of higher education; and"; and

(D) in subsection (g)—

(i) in paragraph (3)—

(I) by inserting "or, if the eligible entity chooses, in another program of study or credential program for which an individual could use funds received under a Federal Pell Grant to attend," before "that is located"; and

(II) by striking "except that, at the State's option" and inserting "except that, at the eligible entity's option"; and

(ii) in paragraph (4), by inserting "and qualifies for an award, consistent with the eligible entity's scholarship plan as described in subsection (a)(2)" after "404D(a)";

(6) in section 404G (20 U.S.C. 1070a–27)—

(A) in subsection (b)—

(i) in paragraph (1), by striking "and" after the semicolon;

(ii) in paragraph (2), by striking the period at the end and inserting "; and"; and

(iii) by inserting after paragraph (2) the following:

"(3) include the following metrics:

"(A) The number of students completing the Free Application for Federal Student Aid under section 483.

"(B) If applicable, the number of students receiving a scholarship under section 404E.

"(C) The graduation rate of participating students from high school.

"(D) The enrollment of participating students in postsecondary education.

"(E) Such other metrics as the Secretary may require.";

(B) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(C) by inserting after subsection (b) the following:

"(c) REPORT ON HOMELESS INDIVIDUALS AND FOSTER CARE YOUTH.—Each eligible entity that receives a grant under section 404A shall, at the conclusion of such grant, prepare and submit a report to the Secretary that includes—

"(1) where available, the number of homeless individuals (as defined in section 402A) and foster care youth served through the program; and

"(2) a description of any strategies or program enhancements that were used by the eligible entity in carrying out the program that were effective in meeting the needs of such homeless individuals and foster care youth.";

(D) in subsection (d), as so redesignated—

(i) in the subsection heading, by inserting "AND TECHNICAL ASSISTANCE" after "FEDERAL EVALUATION";

(ii) in the matter preceding paragraph (1)—

(I) by inserting "after consultation with the community of eligible entities receiving grants under this chapter and" after "Secretary shall,";

(II) by striking "0.75" and inserting "1"; and

(III) by striking "evaluate the effectiveness of the program and, as appropriate, disseminate the results of the evaluation. Such evaluation shall include a separate analysis of";

(iii) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting the margins appropriately; and

(iv) before subparagraph (A) (as redesignated by clause (iii)), by inserting the following:

"(1) provide pre-application technical assistance workshops for eligible entities and potential applicants in any year in which new awards are expected to be made;

"(2) support initiatives designed to improve the research, data collection and infrastructure, and evaluation capacity of eligible entities; and

"(3) evaluate the effectiveness of the program and, as appropriate, disseminate the results of the evaluation. Such evaluation may include a separate analysis of—"; and

(7) in section 404H, by striking "$400,000,000 for fiscal year 2009" and inserting "$500,000,000 for fiscal year 2021".

Subpart 3—Federal Supplemental Educational Opportunity Grants

SEC. 4041. PURPOSE; APPROPRIATIONS AUTHORIZED.

Section 413A of the Higher Education Act of 1965 (20 U.S.C. 1070b) is amended—

(1) by amending subsection (a) to read as follows:

"(a) PURPOSE OF SUBPART.—It is the purpose of this subpart to—

"(1) provide, through institutions of higher education, supplemental grants to assist in making available the benefits of postsecondary education to qualified students who demonstrate financial need in accordance with the provisions of part F of this title; and

"(2) to establish grant programs at various institutions of higher education, as defined in section 101, to determine best practices and policies regarding the distribution of emergency grant aid to assist students in completing their program of study, notwithstanding aid they may have received in accordance with the provisions of part F of this title.";

(2) in subsection (b)(1), by striking "appropriated" and all that follows through the end and inserting "appropriated—

"(A) $1,150,000,000 for fiscal year 2021;

"(B) $1,300,000,000 for fiscal year 2022;

"(C) $1,450,000,000, for fiscal year 2023;

"(D) $1,600,000,000 for fiscal year 2024; and

"(E) $1,750,000,000 for fiscal year 2025 and each succeeding fiscal year.";

(3) in subsection (b), by redesignating paragraph (2) as paragraph (3); and

(4) in subsection (b), by inserting after paragraph (1) the following:

"(2) For the purpose of enabling the Secretary to fund emergency grant aid programs under section 420DD, there are allocated, from funds authorized under paragraph (b)(1), $12,500,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.".

SEC. 4042. INSTITUTIONAL ELIGIBILITY.

Section 413C(a) of the Higher Education Act of 1965 (20 U.S.C. 1070b-2) is amended—

(1) in paragraph (2)—

(A) by striking "agrees" and inserting "except as provided in paragraph (4), agrees"; and

(B) by striking "and" at the end;

(2) in paragraph (3)(D), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(4) agrees that the Federal share of an award under this subpart to an institution eligible for assistance under title III or title V shall equal 100 percent of such award.".

SEC. 4043. ALLOCATION OF FUNDS.

Section 413D of the Higher Education Act of 1965 (20 U.S.C. 1070b–3) is amended to read as follows:

"SEC. 413D. ALLOCATION OF FUNDS.

"(a) ALLOCATION FORMULA FOR FISCAL YEARS 2021 THROUGH 2025.—

"(1) IN GENERAL.—From the amount appropriated under section 413A(b)(1) for a fiscal year, the Secretary shall allocate to each institution—

"(A) for fiscal year 2021, an amount equal to the greater of—

"(i) 90 percent of the amount the institution received under subsection (a) for fiscal year 2020, as such subsection was in effect with respect to such fiscal year (in this subparagraph referred to as 'the 2020 amount for the institution'); or

"(ii) the fair share amount for the institution determined under subsection (c);

"(B) for fiscal year 2022, an amount equal to the greater of—
"(i) 80 percent of the 2020 amount for the institution; or
"(ii) the fair share amount for the institution determined under subsection (c);
"(C) for fiscal year 2023, an amount equal to the greater of—
"(i) 60 percent of the fiscal year 2020 amount for the institution; or
"(ii) the fair share amount for the institution determined under subsection (c);
"(D) for fiscal year 2024, an amount equal to the greater of—
"(i) 40 percent of the 2020 amount for the institution; or
"(ii) the fair share amount for the institution determined under subsection (c); and
"(E) for fiscal year 2025, an amount equal to the greater of—
"(i) 20 percent of the 2020 amount for the institution; or
"(ii) the fair share amount for the institution determined under subsection (c).

"(2) RATABLE REDUCTION.—
"(A) IN GENERAL.—If the amount appropriated under section 413A(b)(1) for a fiscal year is less than the amount required to be allocated to the institutions under this subsection, then the amount of the allocation to each institution shall be ratably reduced.
"(B) ADDITIONAL APPROPRIATIONS.—If the amounts allocated to each institution are ratably reduced under subparagraph (A) for a fiscal year and additional amounts are appropriated for such fiscal year, the amount allocated to each institution from the additional amounts shall be increased on the same basis as the amounts under subparagraph (A) were reduced (until each institution receives the amount required to be allocated under this subsection).

"(b) ALLOCATION FORMULA FOR FISCAL YEAR 2026 AND EACH SUCCEEDING FISCAL YEAR.—From the amount appropriated under section 413A(b)(1) for fiscal year 2026 and each succeeding fiscal year, the Secretary shall allocate to each institution the fair share amount for the institution determined under subsection (c).

"(c) DETERMINATION OF FAIR SHARE AMOUNT.—
"(1) IN GENERAL.—Subject to paragraph (2), the fair share amount for an institution for a fiscal year shall be equal to the sum of the institution's undergraduate student need described in paragraph (2) for the preceding fiscal year.
"(2) INSTITUTIONAL UNDERGRADUATE STUDENT NEED CALCULATION.—The institutional undergraduate student need for an institution for a fiscal year shall be equal to the sum of the following:
"(A) An amount equal to 50 percent of the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of Federal Pell Grant funds awarded at the institution for the preceding fiscal year bears to the total amount of Federal Pell Grant funds awarded at all institutions participating under this part for the preceding fiscal year.
"(B) An amount equal to 50 percent of the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of the undergraduate student need at the institution for the preceding fiscal year bears to the total amount of undergraduate student need at all institutions participating under this part for the preceding fiscal year.
"(3) ELIGIBILITY FOR FAIR SHARE AMOUNT.—The Secretary may not allocate funds under this subpart to any institution that, for 2 or more fiscal years during any 3 fiscal year period beginning not earlier than the first day of the first fiscal year that is 2 years after the date of the enactment of this paragraph, has a student population with less than 7 percent of undergraduate students who are recipients of Federal Pell Grants.

"(d) DEFINITIONS.—In this section:
"(1) AVERAGE COST OF ATTENDANCE.—The term 'average cost of attendance' has the meaning given the term in section 4202(e)(5)(B).
"(2) UNDERGRADUATE STUDENT NEED.—The term 'undergraduate student need' means, with respect to an undergraduate student for an award year, the lesser of the following:
"(A) The total of the amount equal to (except the amount computed by this clause shall not be less than zero)—
"(i) the average cost of attendance for the award year, minus
"(ii) such undergraduate student's expected family contribution (computed in accordance with part F of this title) for the preceding award year.

"(B) The total loan annual limit for a Federal Direct Unsubsidized Stafford Loan and a Federal Direct Loan.".

SEC. 4044. EMERGENCY FINANCIAL AID GRANT PROGRAM.

Part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070b et seq.) is amended by inserting after subpart 12, as added by section 4093, the following:

"Subpart 13—Emergency Financial Aid Grants

"SEC. 420DD. EMERGENCY FINANCIAL AID GRANT PROGRAM.

"(a) EMERGENCY FINANCIAL AID GRANT PROGRAMS AUTHORIZED.—The Secretary shall carry out a grant program to make grants, in accordance with subsection (c), to eligible entities to provide emergency financial aid grants to students in accordance with subsection (d).

"(b) MATCHING FUNDS.—

"(1) LIMITATION ON AMOUNT OF FEDERAL SHARE.—Except as provided in paragraph (3), the Federal share of the cost of any emergency grant aid program carried out under this section may not exceed 50 percent.

"(2) LIMITATION.—Matching funds provided by an eligible entity under this subsection may not include in-kind contributions.

"(3) EXCEPTIONS.—The Federal share of the cost of an emergency grant aid program carried out under this section shall equal 100 percent if the institution carrying out the emergency grant aid is an institution of higher education eligible for assistance under title III or V.

"(c) APPLICATION.—

"(1) IN GENERAL.—Each eligible entity desiring to carry out an emergency grant aid program under this section shall submit an application to the Secretary, at such time, in such manner, and containing such information as the Secretary may require.

"(2) OUTREACH.—The Secretary shall, at least 30 days before each deadline to submit applications under paragraph (1), conduct outreach to institutions of higher education described in subsection (b)(3) to provide such institutions with information on the opportunity to apply under paragraph (1) to carry out an emergency grant aid program under this section.

"(3) CONTENTS.—Each application under paragraph (1) shall include a description of the emergency grant aid program to be carried out by the eligible entity, including—

"(A) an estimate of the number of emergency financial aid grants that such entity will make in an award year and how such eligible entity assessed such estimate;

"(B) the criteria the eligible entity will use to determine an emergency for which an eligible student will be eligible to receive an emergency financial aid grant;

"(C) an assurance that an emergency for which an eligible student will be eligible to receive an emergency financial aid grant will include financial challenges that would directly impact the ability of an eligible student to continue and complete the course of study of such student, including—

"(i) a loss of employment, transportation, child care, utilities, or housing of the student;

"(ii) a medical condition (including pregnancy) of the student, or a dependent of the student;

"(iii) with respect to the eligible student, food insecurity; and

"(iv) in the case of an eligible student who is a dependent student—

"(I) the death of a parent or guardian of such eligible student; or

"(II) a medical condition of the parent or guardian of such eligible student which results in the loss of employment of such parent or guardian;

"(D) a description of the process by which an eligible student may apply and receive an emergency financial aid grant;

"(E) an assurance that the eligible entity, when applicable, will make information available to eligible students about the eligibility of such students and their dependents for assistance under the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the special supplemental nutrition program for women, infants, and children under the Child Nutrition Act of 1966 (42 U.S.C. 1786), and the program of block grants for States for temporary assistance for

needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

"(F) how the eligible entity will administer the emergency grant aid program, including the processes the eligible entity will use to respond to applications, approve applications, and disburse emergency financial aid grants outside of normal business hours;

"(G) an assurance that the process by which an eligible student applies for an emergency financial aid grant includes—

"(i) to the extent practicable, an interview; and

"(ii) at least one opportunity to appeal a denial of such a grant;

"(H) an assurance that the eligible entity will acknowledge receipt of a student's request and distribute funds in a timely manner as determined by the Secretary;

"(I) a description of how the school intends to limit fraud or abuse; and

"(J) any other information the Secretary may require.

"(4) PRIORITY.—In selecting eligible entities to carry out an emergency grant aid program under this section, the Secretary shall give priority to an eligible entity in which at least 30 percent of the students enrolled at such eligible entity are eligible to receive a Federal Pell Grant.

"(d) USE OF FUNDS.—

"(1) IN GENERAL.—An eligible entity may only use funds provided under this section to make emergency financial aid grants to eligible students.

"(2) LIMITATIONS.—

"(A) AMOUNT.—An emergency financial aid grant to an eligible student may not be in an amount greater than $750.

"(B) TOTAL AMOUNT.—The total amount of the Federal share of emergency financial aid grants that an eligible student may receive from an eligible entity may not exceed $2,000. An eligible student may receive an amount under this section that would cause the amount of total financial aid received by such student to exceed the cost of attendance of the institution of higher education in which the student is enrolled.

"(e) REPORTING AND OVERSIGHT.—

"(1) IN GENERAL.—Not less frequently than once annually, each eligible entity that receives a grant under this subpart shall submit to the Secretary a report on the progress of the eligible entity in carrying out the programs supported by such grant.

"(2) FORM OF REPORT.—The report under paragraph (1) shall be submitted to the Secretary at such time, in such manner, and containing such information as the Secretary may require. The Secretary shall issue uniform guidelines describing the information that shall be reported by grantees under such paragraph.

"(3) CONTENT OF REPORT.—The report under paragraph (1) shall include, at minimum, the following:

"(A) The number of students that received a grant, including the number of students who received more than one grant.

"(B) The average award amount awarded to eligible students.

"(C) The types of emergencies declared and frequencies emergencies declared by eligible students.

"(D) The number of students that applied for emergency grant aid.

"(E) The number of students that were denied such grants.

"(F) The average amount of time it took an eligible entity to respond to requests for emergency grant aid and average amount of time it took the eligible entity to award or deny the emergency grant aid.

"(G) Outcomes of the eligible students that received emergency grant aid, including rates of persistence, retention, and completion, and a comparison of such rates for such students as compared to such rates for Federal Pell recipients at the institution.

"(f) DEFINITIONS.—In this section:

"(1) ELIGIBLE ENTITY.—The term 'eligible entity' means an institution of higher education that on the date such entity receives a grant under this section, is participating in the FSEOG program under subpart 3.

"(2) ELIGIBLE STUDENT.—The term 'eligible student' means a student who—

"(A) is enrolled in an eligible entity on an at least half-time basis; and

"(B) who is making satisfactory academic progress.

"(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101.".

Subpart 4—Special Programs for Students Whose Families Are Engaged in Migrant and Seasonal Farmwork

SEC. 4051. SPECIAL PROGRAMS FOR STUDENTS WHOSE FAMILIES ARE ENGAGED IN MIGRANT AND SEASONAL FARMWORK.

Section 418A(i) of the Higher Education Act of 1965 (20 U.S.C. 1070d–2(i)) is amended by striking "2009" and inserting "2021".

Subpart 5—Child Care Access Means Parents in School

SEC. 4061. CCAMPIS REAUTHORIZATION.

Section 419N of the Higher Education Act of 1965 (20 U.S.C. 1070e) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) in subparagraph (A)—

(I) by striking "The amount" and inserting "Except as provided in subparagraph (C), the amount"; and

(II) by striking "1 percent" and inserting "2 percent";

(ii) in subparagraph (B)(ii), by striking "subsection (g)" and inserting "subsection (h)"; and

(iii) by adding at the end the following:

"(C) PERFORMANCE BONUS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), for any fiscal year for which the amount appropriated under subsection (h) is not less than $140,000,000, the Secretary may pay a performance bonus to an eligible institution of higher education.

"(ii) MAXIMUM AMOUNT.—A bonus paid to an eligible institution of higher education under clause (i) for a fiscal year shall not exceed an amount equal to 20 percent of the amount of the annual grant payment received by the institution under paragraph (3)(B) for the fiscal year preceding the fiscal year for which the bonus is paid.

"(iii) USE OF BONUS.—A bonus received by an institution under clause (i) shall be used by the institution in the same manner as a grant under this section and shall be treated as grant funds for purposes of the application of paragraph (5), except that the Secretary may extend the grant period as necessary for the institution to use such bonus.

"(iv) ELIGIBLE INSTITUTION OF HIGHER EDUCATION.—In this subparagraph, the term 'eligible institution of higher education' means an institution of higher education that—

"(I) has received a grant under this section for not less than the period of three consecutive fiscal years preceding the fiscal year in which the bonus is paid under clause (i);

"(II) for each such preceding fiscal year, has met or exceeded the performance levels established by the institution for such year under subsection (e)(1)(B)(v); and

"(III) has demonstrated the need for such bonus.";

(B) in paragraph (3)—

(i) in subparagraph (A), by striking "4 years" and inserting "5 years"; and

(ii) in subparagraph (B), by striking "subsection (e)(2)" and inserting "subsection (e)(3)"; and

(C) by amending paragraph (5) to read as follows:

"(5) USE OF FUNDS.—Grant funds under this section shall be used by an institution of higher education to support or establish a campus-based child care program primarily serving the needs of low-income students enrolled at the institution of higher education. Grant funds under this section may be used to provide the following services to the extent necessary to enable low-income students enrolled at the institution of higher education to pursue postsecondary education—

"(A) evening, summer, weekend and before and after school services; and

"(B) services to expectant parents, such as the provision of information regarding the relationship between prenatal health and early child development and the administration of a home visit closely following the birth of the child.";

(2) by amending subsection (c) to read as follows:

"(c) APPLICATIONS.—

"(1) IN GENERAL.—An institution of higher education desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Such application shall—

"(A) demonstrate that the institution is an eligible institution described in subsection (b)(4);

"(B) specify the amount of funds requested;

"(C) demonstrate the need of low-income students at the institution for campus-based child care services by including in the application—

"(i) information regarding student demographics, including the share of students enrolled full-time;

"(ii) an assessment of child care capacity on or near campus;

"(iii) information regarding the waiting lists for child care services on or near campus;

"(iv) information regarding additional needs created by concentrations of poverty or by geographic isolation;

"(v) information about the number of low-income student parents being served through campus-based child care services; and

"(vi) other relevant data;

"(D) specify the estimated percentage of the institution's grant that will be used directly to subsidize the fee charged for on-campus and off-campus childcare, respectively, for low-income students;

"(E) contain a description of the activities to be assisted, including whether the grant funds will support an existing child care program or a new child care program;

"(F) identify the resources, including technical expertise and financial support, that the institution will draw upon to support the child care program and the participation of low-income students in the program (such as accessing social services funding, using student activity fees to help pay the costs of child care, using resources obtained by meeting the needs of parents who are not low-income students, and accessing foundation, corporate, or other institutional support) and demonstrate that the use of the resources will not result in increases in student tuition;

"(G) contain an assurance that the institution will meet the child care needs of low-income students through the provision of services, or through a contract for the provision of services;

"(H) describe the extent to which the child care program will coordinate with the institution's early childhood education curriculum, to the extent the curriculum is available, to meet the needs of the students in the early childhood education program at the institution, and the needs of the parents and children participating in the child care program assisted under this section;

"(I) in the case of an institution seeking assistance for a new child care program—

"(i) provide a timeline, covering the period from receipt of the grant through the provision of the child care services, delineating the specific steps the institution will take to achieve the goal of providing low-income students with child care services;

"(ii) specify any measures the institution will take to assist low-income students with child care during the period before the institution provides child care services; and

"(iii) include a plan for identifying resources needed for the child care services, including space in which to provide child care services, and technical assistance if necessary;

"(J) contain an assurance that any child care facility assisted under this section will meet the applicable State and local government licensing, certification, approval, or registration requirements;

"(K) in the case of an institution that is awarded a grant under this section after the date of the enactment of the College Affordability Act, provide an assurance that, not later than three years after the date on which such grant is awarded, any child care facility assisted with such grant will—

"(i) meet Head Start performance standards under subchapter B of chapter 13 of title 45, Code of Federal Regulations (as in effect on the date of enactment of the College Affordability Act) and any successor regulations;

"(ii) be in the top tier of the quality rating improvement system for such facilities used by the State in which the facility is located;

"(iii) meet the licensing requirements of the State in which the facility is located and the quality requirements under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.); or

"(iv) be accredited by a national early childhood accrediting body with demonstrated valid and reliable program quality standards;

"(L) contain an assurance that the institution, when applicable, will make information available to students receiving child care services provided under this section about the eligibility of such students and their dependents for assistance under the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the special supplemental nutrition program for women, infants, and children under the Child Nutrition Act of 1966 (42 U.S.C. 1786), and the program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

"(M) contain an abstract summarizing the contents of such application and how the institution intends to achieve the purpose under subsection (a); and

"(N) contain an assurance that the institution will provide information on the institution's website regarding the availability of child care subsidies for student parents and the dependent care cost allowance available to parents with dependent children in accordance with section 472.

"(2) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance to eligible institutions to help such institutions qualify for, apply for, and maintain a grant under this section.";

(3) in subsection (d)—

(A) in the matter preceding paragraph (1), by striking "to institutions of higher education that submit applications describing programs that";

(B) by amending paragraph (1) to read as follows:

"(1) based on the extent to which institutions of higher education that submit applications for such a grant leverage local or institutional resources, including in-kind contributions, to support the activities assisted under this section;";

(C) by redesignating paragraph (2) as paragraph (3);

(D) by inserting after paragraph (1), the following:

"(2) to institutions of higher education that, compared to other institutions of higher education that submit applications for such a grant, demonstrate a high likelihood of need for campus-based child care based on student demographics (such as a high proportion of low-income students or independent students); and"; and

(E) in paragraph (3) (as redesignated by subparagraph (C)), by inserting "to institutions of higher education that submit applications describing programs that" before "utilize"; and

(4) in subsection (e)—

(A) in paragraph (1)(B)—

(i) by redesignating clauses (ii), (iii), and (iv) as clauses (vi), (vii), and (viii), respectively; and

(ii) by striking the semicolon at the end of clause (i) and inserting the following: "which shall include—

"(I) the number of full- and part-time students, respectively, receiving child care services under this section at least once per week during the academic year;

"(II) the number of credits accumulated by students receiving such child care services; and

"(III) the number of students receiving child care services under this section at least once per week during the academic year who—

"(aa) remain enrolled at the institution during the academic year for which they received such services;

"(bb) enroll at the institution for the following academic year; and

"(cc) graduate or transfer within—

"(AA) 150 percent of the normal time for completion of a student's four-year degree granting program; or

"(BB) 200 percent of the normal time for completion of a student's two-year degree-granting program;

"(ii) with respect to the total student enrollment at the institution and the total enrollment of low-income students at the institution, respectively—

"(I) the rate at which students who complete an academic year at the institution re-enroll in the institution for the following academic year; and

"(II) the percentage of students graduating or transferring within—

"(aa) 150 percent of the normal time for completion of a student's four-year degree granting program; or

"(bb) 200 percent of the normal time for completion of a student's two-year degree granting program;

"(iii) the percentage of the institution's grant that was used directly to subsidize the fee charged for on-campus and off-campus childcare, respectively, for low-income students;

"(iv) whether the institution restricts eligibility for child care services to only full-time students;

"(v) the sufficiently ambitious levels of performance established for such year by the institution that demonstrate meaningful progress and allow for meaningful evaluation of program quality based on the information in clauses (i)(III) and (iii);";

(B) by redesignating paragraph (2) as paragraph (3);

(C) by inserting after paragraph (1) the following:

"(2) REPORT.—

"(A) REPORT REQUIRED.—On an annual basis, the Secretary shall submit to the authorizing committees a report that includes—

"(i) a summary of the information described in paragraph (1); and

"(ii) each abstract submitted under subsection (c)(1)(M) by an institution of higher education that receives a grant under this section.

"(B) PUBLIC AVAILABILITY.—The Secretary shall make each report submitted under subparagraph (A) publicly available.";

(D) in paragraph (3), as so redesignated, by inserting "(other than the information provided under subparagraph (B)(v) of such paragraph)" after "paragraph (1)"; and

(E) by adding at the end the following:

"(4) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to institutions of higher education receiving grants under this section to help such institutions meet the reporting requirements under this subsection."; and

(5) in subsection (g), by striking "such sums as may be necessary for fiscal year 2009" and inserting "$200,000,000 for fiscal year 2021".

Subpart 6—Jumpstart to College Grant Programs

SEC. 4071. JUMPSTART TO COLLEGE GRANT PROGRAMS.

Part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) is further amended by inserting after subpart 7 the following:

"Subpart 8—Jumpstart to College

"SEC. 419O. DEFINITIONS.

"In this subpart:

"(1) ELIGIBLE ENTITY.—The term 'eligible entity' means an institution of higher education in partnership with one or more local educational agencies (which may be an educational service agency). Such partnership may also include other entities such as nonprofit organizations or businesses, and schools in juvenile detention centers.

"(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101 (20 U.S.C. 1001).

"(3) ESEA TERMS.—The terms 'dual or concurrent enrollment program', 'early college high school', 'educational service agency', 'four-year adjusted cohort graduation rate', 'local educational agency', 'secondary school', and 'State' have meanings given the terms in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(4) LOW-INCOME STUDENT.—The term 'low-income student' means a student counted under section 1124(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333(c)).

"(5) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term 'recognized postsecondary credential' has the meaning given the term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

"SEC. 419P. AUTHORIZATION OF APPROPRIATIONS; RESERVATIONS.

"(a) IN GENERAL.—To carry out this subpart, there are authorized to be appropriated $250,000,000 for fiscal year 2021 and each of the five succeeding fiscal years.

"(b) RESERVATIONS.—From the funds appropriated under subsection (a) for each fiscal year, the Secretary shall reserve—

"(1) not less than 40 percent for grants to eligible entities under section 419Q;

"(2) not less than 55 percent for grants to States under section 419R; and

"(3) not less than 5 percent for national activities under section 419T.

"SEC. 419Q. GRANTS TO ELIGIBLE ENTITIES.

"(a) IN GENERAL.—The Secretary shall award grants to eligible entities, on a competitive basis, to assist such entities in establishing or supporting an early college high school or dual or concurrent enrollment program in accordance with this section.

"(b) DURATION.—Each grant under this section shall be awarded for a period of 6 years.

"(c) GRANT AMOUNT.—The Secretary shall ensure that the amount of each grant under this section is sufficient to enable each grantee to carry out the activities described in subsection (h), except that a grant under this section may not exceed $2,000,000.

"(d) MATCHING REQUIREMENT.—

"(1) IN GENERAL.—For each year that an eligible entity receives a grant under this section, the entity shall contribute matching funds, in the amounts described in paragraph (2), for the activities supported by the grant.

"(2) AMOUNTS DESCRIBED.—The amounts described in this paragraph are—

"(A) for each of the first and second years of the grant period, 20 percent of the grant amount;

"(B) for each of the third and fourth years of the grant period, 30 percent of the grant amount;

"(C) for the fifth year of the grant period, 40 percent of the grant amount; and

"(D) for the sixth year of the grant period, 50 percent of the grant amount.

"(3) DETERMINATION OF AMOUNT CONTRIBUTED.—

"(A) IN-KIND CONTRIBUTIONS.—The Secretary shall allow an eligible entity to meet the requirements of this subsection through in-kind contributions.

"(B) NON-FEDERAL SOURCES.—Not less than half of each amount described in paragraph (2) shall be provided by the eligible entity from non-Federal sources.

"(e) SUPPLEMENT, NOT SUPPLANT.—An eligible entity shall use a grant received under this section only to supplement funds that would, in the absence of such grant, be made available from other Federal, State, or local sources for activities supported by the grant, not to supplant such funds.

"(f) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to eligible entities that—

"(1) propose to establish or support an early college high school or other dual or concurrent enrollment program that will serve a student population of which not less than 51 percent are low-income students;

"(2) include a local educational agency which serves a high school that is—

"(A) identified for comprehensive support and improvement under section 1111(c)(4)(D)(i) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(c)(4)(D)(i)); or

"(B) implementing a targeted support and improvement plan as described in section 1111(d)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(d)(2));

"(3) are from States that provide assistance to early college high schools or other dual enrollment programs, such as assistance to defray the costs of higher education (including costs of tuition, fees, and textbooks); and

"(4) propose to establish or support an early college high school or dual or concurrent enrollment program that meets quality standards established by—

"(A) a nationally recognized accrediting agency or association that offers accreditation specifically for such programs; or

"(B) a State process specifically for the review and approval of such programs.

"(g) EQUITABLE DISTRIBUTION.—The Secretary shall ensure, to the extent practicable, that eligible entities receiving grants under this section—

"(1) are from a representative cross section of—

"(A) urban, suburban, and rural areas; and

"(B) regions of the United States; and

"(2) include both two-year and four-year institutions of higher education.

"(h) USES OF FUNDS.—

"(1) MANDATORY ACTIVITIES.—

"(A) IN GENERAL.—An eligible entity shall use grant funds received under this section—

"(i) to support the activities described in its application under subsection (i);

"(ii) to create and maintain a coherent system of supports for students, teachers, principals, and faculty under the program, including—

"(I) college and career readiness, academic, and social support services for students; and

"(II) professional development for secondary school teachers, faculty, and principals, and faculty from the institution of higher education, including—

"(aa) joint professional development activities; and

"(bb) activities to assist such teachers, faculty, and principals in using effective parent and community engagement strategies and to help ensure the success of students academically at risk of not enrolling in or completing postsecondary education, first-generation college students, and students described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi));

"(iii) to carry out liaison activities among the partners that comprise the eligible entity pursuant to an agreement or memorandum of understanding documenting commitments, resources, roles, and responsibilities of the partners consistent with the design of the program;

"(iv) for outreach programs to ensure that secondary school students and their families, including students academically at risk of not enrolling in or completing postsecondary education, first-generation college students, and students described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi)), are—

"(I) aware of, and recruited into, the early college high school or dual or concurrent enrollment program; and

"(II) assisted with the process of enrolling and succeeding in the early college high school or dual or concurrent enrollment program, which may include providing academic support;

"(v) to collect, share, and use data (in compliance with section 444 of the General Education Provisions Act (20 U.S.C. 1232g)) for program improvement and program evaluation; and

"(vi) to review and strengthen its program to maximize the potential that students participating in the program will eventually complete a recognized postsecondary credential, including by optimizing—

"(I) the curriculum of the program;

"(II) the use of high-quality assessments of student learning, such as performance-based, project-based, or portfolio assessments that measure higher-order thinking skills;

"(III) the sequence of courses offered by the program; and

"(IV) the alignment of academic calendars between the secondary schools and the institution of higher education participating in the program.

"(B) NEW PROGRAMS.—In the case of an eligible entity that uses a grant under this section to establish an early college high school or dual or concurrent enrollment program, the entity shall use such funds during the first year of the grant period—

"(i) to design the curriculum and sequence of courses in collaboration with, at a minimum—

"(I) faculty from the institution of higher education;

"(II) teachers and faculty from the local educational agency; and

"(III) in the case of a career and technical education program, employers or workforce development entities to ensure that the program is aligned with labor market demand;

"(ii) to develop and implement an articulation agreement between the institution of higher education and the local educational agency that governs how secondary and postsecondary credits will be awarded under the program; and

"(iii) to carry out the activities described in subparagraph (A).

"(2) ALLOWABLE ACTIVITIES.—An eligible entity may use grant funds received under this section to support the activities described in its application under subsection (i), including by—

"(A) purchasing textbooks and equipment that support the program's curriculum;

"(B) pursuant to the assurance provided by the eligible entity under subsection (i)(3)(A), paying tuition and fees for postsecondary courses taken by students under the program;

"(C) incorporating work-based learning opportunities (other than by paying wages of students) into the program (which may include partnering with entities that provide such opportunities), including—

"(i) internships;

"(ii) career-based capstone projects;

"(iii) pre-apprenticeships and registered apprenticeships provided by eligible providers of apprenticeship programs described in section 122(a)(2)(B) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(a)(2)(B)); and

"(iv) work-based learning opportunities provided under chapters 1 and 2 of subpart 2 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a–11 et seq.);

"(D) providing students with transportation to and from the program;

"(E) paying costs for—

"(i) high school teachers to obtain the skills, credentials, or industry certifications necessary to teach for the institution of higher education participating in the program; or

"(ii) postsecondary faculty to become certified to teach high school; or

"(F) providing time during which secondary school teachers and faculty and faculty from an institution of higher education can collaborate, which may include professional development, the planning of team activities for such teachers and faculty and curricular design and student assessment

"(i) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant under this section, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

"(2) CONTENTS OF APPLICATION.—The application under paragraph (1) shall include, at minimum, a description of—

"(A) the partnership that comprises the eligible entity, including documentation of partner commitments, resources and budget, roles, and responsibilities;

"(B) how the partners that comprise the eligible entity will coordinate to carry out the mandatory activities described in subsection (h)(1);

"(C) the number of students intended to be served by the program and demographic information relating to such students;

"(D) how the eligible entity's curriculum and sequence of courses form a program of study leading to a recognized postsecondary credential;

"(E) how postsecondary credits earned will be transferable to institutions of higher education within the State, including any applicable statewide transfer agreements and any provisions of such agreements that are specific to dual or concurrent enrollment programs;

"(F) how the eligible entity will conduct outreach to students;

"(G) how the eligible entity will determine the eligibility of students for postsecondary courses, including an explanation of the multiple factors the entity will take into account to assess the readiness of students for such courses; and

"(H) the sustainability plan for the early college high school or other dual or concurrent enrollment program.

"(3) ASSURANCES.—The application under paragraph (1) shall include assurances from the eligible entity that—

"(A) students participating in a program funded with a grant under this section will not be required to pay tuition or fees for postsecondary courses taken under the program;

"(B) postsecondary credits earned by students under the program will be transcribed upon completion of the required course work; and

"(C) instructors of postsecondary courses under the program will meet the same standards applicable to other faculty at the institution of higher education that is participating in the program.

"SEC. 419R. GRANTS TO STATES.

"(a) IN GENERAL.—The Secretary shall award grants to States, on a competitive basis, to assist States in supporting or establishing early college high schools or dual or concurrent enrollment programs.

"(b) DURATION.—Each grant under this section shall be awarded for a period of 6 years.

"(c) GRANT AMOUNT.—The Secretary shall ensure that the amount of each grant under this section is sufficient to enable each grantee to carry out the activities described in subsection (f).

"(d) MATCHING REQUIREMENT.—For each year that a State receives a grant under this section, the State shall provide, from non-Federal sources, an amount equal to 50 percent of the amount of the grant received by the State for such year to carry out the activities supported by the grant.

"(e) SUPPLEMENT, NOT SUPPLANT.—A State shall use a grant received under this section only to supplement funds that would, in the absence of such grant, be made available from other Federal, State, or local sources for activities supported by the grant, not to supplant such funds.

"(f) USES OF FUNDS.—

"(1) MANDATORY ACTIVITIES.—A State shall use grant funds received under this section to—

"(A) support the activities described in its application under subsection (g);

"(B) plan and implement a statewide strategy for expanding access to early college high schools and dual or concurrent enrollment programs for students who are underrepresented in higher education to raise statewide rates of secondary school graduation, readiness for postsecondary education, and completion of recognized postsecondary credentials, with a focus on students academically at risk of not enrolling in or completing postsecondary education;

"(C) identify any obstacles to such a strategy under State law or policy;

"(D) provide technical assistance (either directly or through a knowledgeable intermediary) to early college high schools and other dual or concurrent enrollment programs, which may include—

"(i) brokering relationships and agreements that forge a strong partnership between elementary and secondary and postsecondary partners; and

"(ii) offering statewide training, professional development, and peer learning opportunities for school leaders, instructors, and counselors or advisors;

"(E) identify and implement policies that will improve the effectiveness and ensure the quality of early college high schools and dual or concurrent enrollment programs, such as eligibility and access, funding, data and quality assurance, governance, accountability, and alignment policies;

"(F) update the State's requirements for a student to receive a regular high school diploma to align with the challenging State academic standards and entrance requirements for credit-bearing coursework as described in subparagraphs (A) and (D) of section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1));

"(G) incorporate indicators regarding student access to and completion of early college high schools and dual or concurrent enrollment programs into the school quality and student success indicators included in the State system of annual meaningful differentiation as described under section 1111(c)(4)(B)(v)(I) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(c)(4)(B)(v)(I));

"(H) disseminate best practices for early college high schools and dual or concurrent enrollment programs, which may include best practices from programs in the State or other States;

"(I) facilitate statewide secondary and postsecondary data collection, research and evaluation, and reporting to policymakers and other stakeholders; and

"(J) conduct outreach programs to ensure that secondary school students, their families, and community members are aware of early college high schools and dual or concurrent enrollment programs in the State.

"(2) ALLOWABLE ACTIVITIES.—A State may use grant funds received under this section to—

"(A) establish a mechanism to offset the costs of tuition, fees, standardized testing and performance assessment costs, and support services for low-income students, and students from underrepresented populations enrolled in early college and high schools or dual or concurrent enrollment;

"(B) establish formal transfer systems within and across State higher education systems, including two-year and four-year public and private institutions, to maximize the transferability of college courses;

"(C) provide incentives to school districts that—

"(i) assist high school teachers in getting the credentials needed to participate in early college high school programs and dual or concurrent enrollment; and

"(ii) encourage the use of college instructors to teach college courses in high schools;

"(D) support initiatives to improve the quality of early college high school and dual or concurrent enrollment programs at participating institutions, including by assisting such institutions in aligning programs with the quality standards described in section 419Q(f)(3);

"(E) support the development, implementation, and strengthening of Advanced Placement and International Baccalaureate programs especially at high schools with low levels of participation by low-income students and underrepresented students in such programs; and

"(F) reimburse low-income students to cover part or all of the costs of an Advanced Placement or International Baccalaureate examination.

"(g) STATE APPLICATIONS.—

"(1) APPLICATION.—To be eligible to receive a grant under this section, a State shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

"(2) CONTENTS OF APPLICATION.—The application under paragraph (1) shall include, at minimum, a description of—

"(A) how the State will carry out the mandatory State activities described in subsection (f)(1);

"(B) how the State will ensure that any programs funded with a grant under this section are coordinated with programs under—

"(i) the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.);

"(ii) the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.);

"(iii) the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

"(iv) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

"(C) how the State intends to use grant funds to address achievement gaps for each category of students described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi));

"(D) how the State will access and leverage additional resources necessary to sustain early college high schools or other dual or concurrent enrollment programs;

"(E) how the State will identify and eliminate barriers to implementing effective early college high schools and dual or concurrent enrollment programs after the grant expires, including by engaging businesses and nonprofit organizations; and

"(F) such other information as the Secretary determines to be appropriate.

"SEC. 419S. REPORTING AND OVERSIGHT.

"(a) IN GENERAL.—Not less frequently than once annually, each State and eligible entity that receives a grant under this subpart shall submit to the Secretary a report on the progress of the State or eligible entity in carrying out the programs supported by such grant.

"(b) FORM OF REPORT.—The report under subsection (a) shall be submitted to the Secretary at such time, in such manner, and containing such information as the Secretary may require. The Secretary shall issue uniform guidelines describing the information that shall be reported by grantees under such subsection.

"(c) CONTENTS OF REPORT.—

"(1) IN GENERAL.—The report under subsection (a) shall include, at minimum, the following:

"(A) The number of students enrolled in the early college high school or dual or concurrent enrollment program.

"(B) The number and percentage of students reimbursed by the State for part or all of the costs of an Advanced Placement or International Baccalaureate examination and the student test scores.

"(C) The number and percentage of students enrolled in the early college high school or dual or concurrent enrollment program who earn a recognized postsecondary credential concurrently with a high school diploma.

"(D) The number of postsecondary credits earned by eligible students while enrolled in the early college high school or dual or concurrent enrollment program that may be applied toward a recognized postsecondary credential.

"(E) The number and percentage of students who earn a high school diploma.

"(F) The number and percentage of graduates who enroll in postsecondary education.

"(2) CATEGORIES OF STUDENTS.—The information described in each of subparagraphs (A) through (G) of paragraph (1) shall be set forth separately for each category of students described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi)).

"SEC. 419T. NATIONAL ACTIVITIES.

"(a) REPORTING BY SECRETARY.—Not less frequently than once annually, the Secretary shall submit to Congress a report that includes—

"(1) an analysis of the information received from States and eligible entities under section 419S;

"(2) an identification of best practices for carrying out programs supported by grants under this subpart; and

"(3) the results of the evaluation under subsection (b).

"(b) NATIONAL EVALUATION.—Not later than 6 months after the date of the enactment of the College Affordability Act, the Secretary shall seek to enter into a contract with an independent entity to perform an evaluation of the grants awarded under this subtitle. Such evaluation shall apply rigorous procedures to obtain valid and reliable data concerning student outcomes by social and academic characteristics and monitor the progress of students from secondary school to and through postsecondary education.

"(c) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to States and eligible entities concerning best practices and quality improvement programs in early college high schools and dual or concurrent enrollment programs and shall disseminate such best practices among eligible entities, States, and local educational agencies.

"(d) ADMINISTRATIVE COSTS.—From amounts reserved to carry out this section under section 419P(b)(3), the Secretary may reserve such sums as may be necessary for the direct administrative costs of carrying out the Secretary's responsibilities under this subtitle.

"SEC. 419U. RULES OF CONSTRUCTION.

"(a) EMPLOYEES.—Nothing in this subpart shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded to the employees of local educational agencies (including schools) or institutions of higher education under Federal, State, or local laws (including applicable regulations or court orders) or under the terms of collective bargaining agreements, memoranda of understanding, or other agreements between such employees and their employers.

"(b) GRADUATION RATE.—A student who graduates from an early college high school supported by a grant under section 419Q within 100 percent of the normal time for completion described in the eligible entity's application under such section shall be counted in the four-year adjusted cohort graduation rate for such high school.".

Subpart 7—TEACH Grants

SEC. 4081. REVISED DEFINITIONS OF TEACH GRANTS.

Section 420L of the Higher Education Act of 1965 (20 U.S.C. 1070g) is amended by adding at the end the following:

"(4) TEACHER PREPARATION PROGRAM.—The term 'teacher preparation program' means a State-approved course of study provided by an institution of higher education, the completion of which signifies that an enrollee has met all the State's educational or training requirements for initial certification or licensure to teach in the State's elementary schools or secondary schools.".

SEC. 4082. REVISIONS TO ESTABLISHING TEACH GRANT PROGRAM.

Section 420M of the Higher Education Act of 1965 (20 U.S.C. 1070g–1) is amended—

(1) in subsection (a)(1)—

(A) by striking "an application" and inserting "a Free Application for Federal Student Aid authorized under section 483(a)"; and

(B) by striking "in the amount of" and all that follows through the period at the end and inserting the following: "except as provided in subsection (d)(4), in the amount of—

"(A) $8,000, to be available to a teacher candidate who is enrolled as an undergraduate junior at the eligible institution;

"(B) $8,000, to be available to a teacher candidate who is enrolled as an undergraduate senior at the eligible institution; and

"(C) $4,000, to be available to a teacher candidate who is enrolled in the first or second year of an associate's degree program and intends to teach in an early childhood education program."; and

(2) in subsection (d)—

(A) in paragraph (1), by striking "undergraduate" each place it appears and inserting "associate, undergraduate,"; and

(B) by adding at the end the following:

"(4) ASSOCIATE DEGREE STUDENTS.—

"(A) MAXIMUM AMOUNT FOR ASSOCIATE DEGREE STUDY.—The period during which an associate degree student intending to teach in an early childhood education program may receive grants under this subpart shall be the period required for the completion of an associate's degree course of study pursued by the teacher candidate at the eligible institution at which the teacher candidate is in attendance, except that the total amount that a teacher candidate may receive under this subpart for an associate's degree course of study shall not exceed $8,000.

"(B) EFFECT ON FURTHER UNDERGRADUATE OR POST-BACCALAUREATE STUDY.—In the case of a teacher candidate intending to teach in an early childhood education program who receives a grant under this subpart for an associate's degree course of study and who seeks to receive a grant described in subparagraph (A) or (B) of subsection (a)(1), the amount of such grant shall be equal to—

"(i) one half of the amount that is equal to $16,000, minus the amount the teacher candidate received under this subpart for the associate's degree course of study of such candidate, to be available to a teacher candidate who is enrolled as an undergraduate junior at the eligible institution; and

"(ii) one half of the amount that is equal to $16,000, minus the amount the teacher candidate received under this subpart for the associate's degree course of study of such candidate, to be available to a teacher candidate who is enrolled as an undergraduate senior at the eligible institution.".

SEC. 4083. REVISIONS TO TEACH GRANT AGREEMENTS TO SERVE AND ELIGIBILITY.

Section 420N of the Higher Education Act of 1965 (20 U.S.C. 1070g–2) is amended—

(1) in subsection (a)—

(A) in the heading of paragraph (2), by striking "DEMONSTRATION OF TEACH" and insert "TEACH";

(B) in paragraph (2)(A)(ii)(II), by striking "batteries in an undergraduate, post-baccalaureate, or graduate school admissions test" and inserting "assessments used for admission to an undergraduate, post-baccalaureate, or graduate school program";

(C) in paragraphs (2)(B)(i), by striking "or another high-need" and inserting "early childhood education, or another high-need"; and

(D) in paragraph (2)(B)(ii), by striking ", such as Teach for America,";

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B), by inserting before the semicolon at the end the following: "or in a high-need early childhood education program (as defined in section 200(15))";

(ii) in subparagraph (C)—

(I) by striking "or" at the end of clause (vi);

(II) by redesignating clause (vii) as clause (viii);

(III) by inserting after clause (vi), as so amended, the following:

"(vii) early childhood education; or"; and

(IV) in clause (viii), as so redesignated, by adding "and" at the end;

(iii) in subparagraph (D)—

(I) by inserting "or early childhood education program" after "school"; and

(II) by striking "and" at the end; and

(iv) by striking subparagraph (E);

(B) by striking "and" at the end of paragraph (2);

(C) by striking the period at the end of paragraph (3) and inserting "; and"; and

(D) by adding at the end the following:

"(4) the Secretary will—

"(A) notify, or ensure that the applicable loan servicer will notify, the applicant of—

"(i) the date on which submission of the certification under paragraph (1)(D) is required; and

"(ii) any failure to submit such certification; and

"(B) allow employers and borrowers to use electronic signatures to certify such employment.";

(3) in subsection (c)—

(A) by striking "In the event" and inserting the following:

"(1) IN GENERAL.—Subject to paragraph (2), in the event"; and

(B) by adding at the end the following:

"(2) CLARIFICATION.—

"(A) APPLICATION.—Paragraph (1) may only apply with respect to a recipient of a grant under this subpart if—

"(i) after completing the course of study for which the recipient received the grant, such recipient does not serve as a full-time teacher as required under subsection (b)(1) for at least—

"(I) 1 year, as certified under subsection (b)(1)(D) on a date that is not later than 5 years after the date such course of study was completed;

"(II) 2 years, as certified under subsection (b)(1)(D) on a date that is not later than 6 years after the date such course of study was completed;

"(III) 3 years, as certified under subsection (b)(1)(D) on a date that is not later than 7 years after the date such course of study was completed; or

"(IV) 4 years, as certified under subsection (b)(1)(D) on a date that is not later than 8 years after the date such course of study was completed; or

"(ii) the recipient elects to have such grant treated as a loan in accordance with such paragraph (1).

"(B) APPEAL.—A recipient of a grant may appeal a decision to convert a loan under paragraph (1)."; and

(4) in subsection (d)—

(A) by redesignating paragraph (2) as paragraph (5);

(B) in paragraph (1), by striking "subsection (b)(1)(C)(vii)" and inserting "subsection (b)(1)(C)(viii)"; and

(C) by inserting after paragraph (1), the following:

"(2) CHANGE OF SCHOOL DESCRIPTION OR PROGRAM DEFINITION.—If a recipient of an initial grant under this subpart teaches in a school or an early childhood education program for an academic year during which the school is identified as a school described in section 465(a)(2)(A) or a program that meets the definition of section 200(15), but the school or program no longer meets such description or definition during a subsequent academic year, the grant recipient may fulfill the service obligation described in subsection (b)(1) by continuing to teach at that school or program.

"(3) CHANGE OF TEACHER DUTIES OR ASSIGNMENT.—If a recipient of an initial grant under this subpart teaches as a full-time teacher described in subsection (b)(1)(A), but the recipient no longer meets such description during a subsequent academic year due to switching academic roles to that of a full-time co-teacher, teacher leader, instructional or academic coach, department chairperson, special education case manager, guidance counselor, or school administrator within a school or program, the grant recipient may fulfill the service obligation described in subsection (b)(1) by continuing to work in any such academic role on a full-time basis at that school or program.

"(4) CHANGE IN HIGH-NEED FIELD STATUS.—If a recipient of an initial grant under this subpart teaches in a field at a school or an early childhood education program for an academic year during which the field is designated under subsection (b)(1)(C)(viii), but the field no longer is so designated during a subsequent academic year, the grant recipient may fulfill the service obligation de-

scribed in subsection (b)(1) by continuing to teach in such field at such school or early childhood education program.".

SEC. 4084. REVISIONS TO TEACH GRANT DATA COLLECTION AND REPORTING.

Section 420P of the Higher Education Act of 1965 (20 U.S.C. 1070g–4) is amended to read as follows:

"SEC. 420P. DATA COLLECTION AND REPORTING.

"(a) DATA COLLECTION.—

"(1) AGGREGATE STUDENT DATA.—On an annual basis, using the postsecondary student data system established under section 132(l) or a successor system (whichever includes the most recent data) to streamline reporting requirements and minimize reporting burdens, and in coordination with the National Center for Education Statistics, the Secretary shall determine, disaggregate in accordance with paragraph (2), and make available to the public in accordance with paragraph (3), with respect to each institution (and each category of institution listed in section 132(d)) that received a payment under this subpart in the previous academic year, the following information:

"(A) The number and mean dollar amount of TEACH Grants awarded to students at the institution.

"(B) The number and proportion of TEACH Grant recipients who exit their program of study before completing the program.

"(C) The number and proportion of TEACH Grant recipients who complete their program of study and begin employment as a teacher in the first academic year following the year of such completion.

"(D) The number and proportion of individuals employed as teachers who received a TEACH Grant and whose TEACH Grants are converted into loans during the 8-year period following the year in which the recipient completed the recipient's program of study, set forth separately for each year in such period.

"(E) The number and proportion of TEACH Grant recipients who fulfill the terms of their agreement to serve under section 420N(b) during the 8-year period following the year in which the recipient completed the recipient's program of study, set forth separately for each year in such period.

"(2) DISAGGREGATION.—The information determined under paragraph (1)—

"(A) except in cases in which such disaggregation would reveal personally identifiable information about an individual student, shall be disaggregated by—

"(i) race;

"(ii) ethnicity;

"(iii) gender;

"(iv) socioeconomic status;

"(v) Federal Pell Grant eligibility status;

"(vi) status as a first-generation college student (as defined in section 402A(h));

"(vii) military or veteran status;

"(viii) disability status;

"(ix) level of study (associate, undergraduate, postbaccalaureate, or graduate, as applicable); and

"(x) each teacher preparation program offered by an institution; and

"(B) may be disaggregated by any combination of subgroups or descriptions described in subparagraph (A).

"(3) AVAILABILITY OF DATA.—The information determined under paragraph (1) shall—

"(A) remain available to the public for a period of not less than 10 years after its initial release by the Secretary; and

"(B) be updated as necessary to reflect the most accurate and up-to-date information for each institution for each year of data collection.

"(b) INFORMATION FROM INSTITUTIONS.—Each institution that receives a payment under this subpart shall provide to the Secretary, on an annual basis, such information as may be necessary for the Secretary to carry out subsection (a).

"(c) REPORTS AND DISSEMINATION.—

"(1) INITIAL AND INTERIM REPORTS.—Not later than 3 years after the date on which the first TEACH Grant is awarded under this subpart after the date of enactment of the College Affordability Act, and at least once every 3 years thereafter, the Secretary shall submit to the authorizing committees a report that includes the information required under paragraph (2).

"(2) ELEMENTS.—Each report under this subsection shall include, based on information determined under subsection (a), the following:

"(A) A review of the utilization of TEACH Grants at teacher preparation programs at institutions that received a payment under this subpart.

"(B) A review of TEACH Grant practices that correlate with higher rates of completion of agreements under section 420N(b).

"(C) Guidance and recommendations on how effective utilization of TEACH Grants can be replicated.

"(3) AVAILABILITY.—Each report under this subsection shall be made available to the public in an accessible format—

"(A) on a website of the Department of Education; and

"(B) in any other format determined to be appropriate by the Secretary.".

Subpart 8—Northern Mariana Islands and American Samoa College Access

SEC. 4091. NORTHERN MARIANA ISLANDS AND AMERICAN SAMOA COLLEGE ACCESS.

Subpart 10 of part A of title IV (20 U.S.C. 1070(h)) is amended to read as follows:

"Subpart 10—Northern Mariana Islands and American Samoa College Access

"SEC. 420R. PUBLIC SCHOOL GRANTS.

"(a) PURPOSE.—It is the purpose of this subpart to establish a program that enables college-bound residents of the Northern Mariana Islands and American Samoa to have greater choices among institutions of higher education.

"(b) GRANTS.—

"(1) IN GENERAL.—From amounts appropriated under subsection (j), the Secretary shall provide—

"(A) 50 percent of such amount to the Northern Mariana Islands for the Governor to award grants to eligible institutions that enroll eligible students to pay the difference between the tuition and fees charged for in-State students and the tuition and fees charged for out-of-State students on behalf of each eligible student enrolled in the eligible institution; and

"(B) 50 percent of such amount to the American Samoa for the Governor to award grants to eligible institutions that enroll eligible students to pay the difference between the tuition and fees charged for in-State students and the tuition and fees charged for out-of-State students on behalf of each eligible student enrolled in the eligible institution.

"(2) MAXIMUM STUDENT AMOUNTS.—The amount paid on behalf of an eligible student under this section shall be—

"(A) not more than $15,000 for any one award year (as defined in section 481); and

"(B) not more than $45,000 in the aggregate.

"(3) PRORATION.—The Governor shall prorate payments under this section for students who attend an eligible institution on less than a full-time basis.

"(c) REDUCTION FOR INSUFFICIENT APPROPRIATIONS.—

"(1) IN GENERAL.—If the funds appropriated pursuant to subsection (j) for any fiscal year are insufficient to award a grant in the amount determined under subsection (a) on behalf of each eligible student enrolled in an eligible institution, then the Governor, in consultation with the Secretary of Education, shall—

"(A) first, ratably reduce the amount of the tuition and fee payment made on behalf of each eligible student who has not received funds under this section for a preceding year; and

"(B) after making reductions under subparagraph (A), ratably reduce the amount of the tuition and fee payments made on behalf of all other eligible students.

"(2) ADJUSTMENTS.—The Governor, in consultation with the Secretary of Education, may adjust the amount of tuition and fee payments made under paragraph (1) based on—

"(A) the financial need of the eligible students to avoid undue hardship to the eligible students; or

"(B) undue administrative burdens on the Governor.

"(3) FURTHER ADJUSTMENTS.—Notwithstanding paragraphs (1) and (2), the Governor may prioritize the making or amount of tuition and fee payments under this subsection based on the income and financial need of eligible students.

"(d) DEFINITIONS.—In this subpart:

"(1) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution that—

"(A) is a public four-year institution of higher education located in one of the several States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or Guam;

"(B) is eligible to participate in the student financial assistance programs under title IV; and

"(C) enters into an agreement with the Governors of the Northern Mariana Islands and American Samoa containing such conditions as each Governor may specify, including a requirement that the institution use the funds made available under this section to supplement and not supplant assistance that otherwise would be provided to eligible students from the Northern Mariana Islands and American Samoa.

"(2) ELIGIBLE STUDENT.—The term 'eligible student' means an individual who—

"(A) graduated from a public institution of higher education located in the Northern Mariana Islands or American Samoa;

"(B) begins the individual's course of study within the 3 calendar years (excluding any period of service on active duty in the Armed Forces or service under the Peace Corps Act (22 U.S.C. 2501 et seq.) or subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.)) of graduation from a public institution of higher education located in the Northern Mariana Islands or American Samoa;

"(C) is enrolled or accepted for enrollment, on at least a half-time basis, in a baccalaureate degree or other program (including a program of study abroad approved for credit by the institution at which such student is enrolled) leading to a recognized educational credential at an eligible institution;

"(D) if enrolled in an eligible institution, is maintaining satisfactory progress in the course of study the student is pursuing in accordance with section 484(c); and

"(E) has not completed the individual's first undergraduate baccalaureate course of study.

"(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101.

"(4) GOVERNOR.—The term 'Governor' means the Governor of the Commonwealth of the Northern Mariana Islands or American Samoa.

"(e) CONSTRUCTION.—Nothing in this subpart shall be construed to require an institution of higher education to alter the institution's admissions policies or standards in any manner to enable an eligible student to enroll in the institution.

"(f) APPLICATIONS.—Each student desiring a tuition payment under this section shall submit an application to the eligible institution at such time, in such manner, and accompanied by such information as the eligible institution may require.

"(g) ADMINISTRATION OF PROGRAM.—

"(1) IN GENERAL.—Each Governor shall carry out the program under this section in consultation with the Secretary. Each Governor may enter into a grant, contract, or cooperative agreement with another public or private entity to administer the program under this section if the Governor determines that doing so is a more efficient way of carrying out the program.

"(2) POLICIES AND PROCEDURES.—Each Governor, in consultation with institutions of higher education eligible for participation in the program authorized under this section, shall develop policies and procedures for the administration of the program.

"(3) MEMORANDUM OF AGREEMENT.—Each Governor and the Secretary shall enter into a Memorandum of Agreement that describes—

"(A) the manner in which the Governor shall consult with the Secretary with respect to administering the program under this section; and

"(B) any technical or other assistance to be provided to the Governor by the Secretary for purposes of administering the program under this section (which may include access to the information in the common financial reporting form developed under section 483).

"(h) GOVERNOR'S REPORT.—Each Governor shall report to the Secretary and the authorizing committees annually regarding—

"(1) the number of eligible students attending each eligible institution and the amount of the grant awards paid to those institutions on behalf of the eligible students;

"(2) the extent, if any, to which a ratable reduction was made in the amount of tuition and fee payments made on behalf of eligible students; and

"(3) the progress in obtaining recognized academic credentials of the cohort of eligible students for each year.

"(i) GAO REPORT.—Not later than 24 months of the date of the enactment of this College Affordability Act, the Comptroller General of the United States shall report on the effect of the program assisted under this section on educational opportunities for eligible students. The Comptroller General shall analyze whether eligible students had difficulty gaining admission to eligible institutions because of any preference afforded to in-State residents by eligible institutions, and shall expeditiously report any findings regarding such difficulty to Congress. In addition the Comptroller General shall—

"(1) analyze and identify any challenges eligible students face in gaining admission to eligible institutions, including admission aided by assistance provided under this subpart, due to—

"(A) caps on the number of out-of-State students the institution will enroll;

"(B) significant barriers imposed by academic entrance requirements (such as grade point average and standardized scholastic admissions tests); and

"(C) absence of admission programs benefitting minority students; and

"(2) report the findings of the analysis described in paragraph (1) and the assessment described in paragraph (2) to Congress and the Governor.

"(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commonwealth of the Northern Mariana Islands and American Samoa to carry out this subpart $5,000,000, to be available until expended, for fiscal year 2021 and each of the 5 succeeding fiscal years.

"(k) EFFECTIVE DATE.—This subpart shall take effect with respect to payments for periods of instruction that begin on or after January 1, 2021.

"SEC. 420S. GENERAL REQUIREMENTS.

"(a) PERSONNEL.—The Secretary shall arrange for the assignment of an individual, pursuant to subchapter VI of chapter 33 of title 5, United States Code, to serve as an adviser to each Governor with respect to the programs assisted under this subpart.

"(b) ADMINISTRATIVE EXPENSES.—Each Governor may use not more than 5 percent of the funds made available for a program under section 420R for a fiscal year to pay the administrative expenses of a program under section 420R for the fiscal year.

"(c) INSPECTOR GENERAL REVIEW.—Each of the programs assisted under this subpart shall be subject to audit and other review by the Inspector General of the Department of Education in the same manner as programs are audited and reviewed under the Inspector General Act of 1978 (5 U.S.C. App.).

"(d) GIFTS.—The Governor may accept, use, and dispose of donations of services or property for purposes of carrying out this subpart.

"(e) MAXIMUM STUDENT AMOUNT ADJUSTMENTS.—Each Governor shall establish rules to adjust the maximum student amounts described in section 440S(b)(2) for eligible students described in section 440S(d)(2) who transfer between the eligible institutions described in section 440S(d)(1).".

Subpart 9—Student Success

SEC. 4092. COMMUNITY COLLEGE STUDENT SUCCESS GRANT PROGRAM AUTHORIZED.

Part A of title IV (20 U.S.C. 1070 et seq.) is further amended by adding at the end the following:

"Subpart 11—Community College Student Success

"SEC. 420T. COMMUNITY COLLEGE STUDENT SUCCESS GRANT PROGRAM AUTHORIZED.

"From the amounts appropriated under 420BB, the Secretary of Education shall establish and carry out the community college student success grant program to award grants under sections 420U and 420V, on a competitive basis, to eligible institutions to plan and implement community college student success programs designed to increase—

"(1) the rate at which program participants graduate from a program of study at such eligible institution within 150 percent of the normal time for graduation; and

"(2) transfer rates of program participants.

"SEC. 420U. GRANTS TO PLAN COMMUNITY COLLEGE STUDENT SUCCESS PROGRAMS.

"(a) PLANNING GRANTS AUTHORIZED.—From the amounts appropriated to carry out this section under section 420BB for a fiscal year, the Secretary shall award planning grants for such fiscal year, on a competitive basis, to eligible institutions to develop plans for community college student success programs.

"(b) DURATION.—A grant awarded under this section shall be for a 1-year period.

"(c) PEER REVIEW PROCESS; PRIORITY.—In awarding grants under this section for a fiscal year, the Secretary shall—

"(1) carry out a peer review process that—

"(A) requires that each application submitted under subsection (d) be peer reviewed by a panel of readers composed of individuals selected by the Secretary, which shall include—

"(i) not less than 50 percent of readers—

"(I) who are not employees of the Federal Government; and

"(II) who have relevant research or practical experience with respect to student support programs designed to increase graduation rates and transfer rates at public 2-year institutions of higher education; and

"(ii) to the maximum extent practicable, individuals who are members of groups underrepresented in higher education, including African Americans, Hispanics, Native Americans, Alaska Natives, Asian Americans, Native American Pacific Islanders (including Native Hawaiians), and individuals with disabilities; and

"(B) ensures that no individual assigned under subparagraph (A) to review an application has any conflict of interest with regard to that application that may make the individual unable to impartially conduct such review; and

"(2) give priority to eligible institutions that are eligible to receive funding under title III or V.

"(d) APPLICATION.—An eligible institution desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, which shall include—

"(1) the graduation rate and transfer rate for the most recent academic year for which data are available for eligible students and all students, respectively;

"(2) an analysis of how implementing a community college student success program may improve the graduation rate or transfer rate for eligible students; and

"(3) a description of the methods the eligible institution has previously used to improve the graduation rate or transfer rate with respect to eligible students and all students, respectively.

"(e) USE OF FUNDS.—An eligible institution that receives a grant under this section shall use the grant to develop a plan to implement a community college student success program at the eligible institution.

"(f) REPORT.—Not later than 1 year after the date on which an eligible institution receives a grant under this section, such eligible institution shall submit to the Secretary a report that includes—

"(1) a plan for implementing a community college student success program at the eligible institution, including—

"(A) the sufficiently ambitious outcome goals for achieving significant improvements in graduation rates and transfer rates for program participants, as such rates are defined by the eligible institution, in consultation with the Secretary, before the end of the grant period;

"(B) the number of such eligible students who will participate in such program, including how such eligible students will be identified, referred, and selected, in cases where the interest in the program is larger than the budget for the program;

"(C) based on the most recent academic year for which data are available, disaggregated by full-time students and all students—

"(i) graduation rates; and

"(ii) transfer rates;

"(D) an analysis of the financial needs of the full-time students;

"(E) a description of how the eligible institution will effectively staff a community college student success program; and

"(F) a timeline for the implementation of such program;

"(2) a budgetary analysis that includes—

"(A) a description of how the eligible institution will provide non-Federal funds for such program under subsection (d) of section 420V; and

"(B) a description of how the eligible institution will continue to fund such program after the end of the grant period for the grant awarded to the institution under section 420V; and

"(3) such other information as the Secretary may require.

"SEC. 420V. GRANTS TO IMPLEMENT COMMUNITY COLLEGE STUDENT SUCCESS PROGRAMS.

"(a) IMPLEMENTATION GRANTS AUTHORIZED.—

"(1) IN GENERAL.—From the amounts appropriated to carry out this section under section 420BB for a fiscal year, the Secretary shall award grants for such fiscal year, on a competitive basis, to eligible institutions awarded a grant under section 420U to implement community college student success programs.

"(2) CONSULTATION.—In awarding grants under this section for a fiscal year, the Secretary shall consult with the independent evaluator before finalizing which eligible institutions will receive such a grant for such fiscal year.

"(b) REQUIREMENTS FOR SELECTION.—To be eligible to receive a grant under this section, an eligible institution shall meet the following requirements:

"(1) The eligible institution was awarded a grant under section 420U at least 1 year before such eligible institution submits an application under subsection (e).

"(2) The eligible institution submits an application under subsection (e).

"(3) The eligible institution demonstrates, on the date of the application described in subsection (e), the availability of non-Federal funding for the matching funds required under subparagraphs (A), (B), and (C) of subsection (d)(1).

"(c) DURATION.—A grant awarded under this section shall be for a 5-year period.

"(d) NON-FEDERAL CONTRIBUTION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an eligible institution awarded a grant under this section shall contribute in cash from non-Federal sources, the following:

"(A) For the second year of the grant period, an amount equal to 20 percent of the cost of carrying out the community college student success program at the institution for such year.

"(B) For the third year of the grant period, an amount equal to 30 percent of the cost of carrying out such program for such year.

"(C) For the fourth year of the grant period, an amount equal to 40 percent of the cost of carrying out such program for such year.

"(D) For the fifth year of the grant period, an amount equal to 50 percent of the cost of carrying out such program for such year.

"(2) EXCEPTION.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), with respect to an exempt institution awarded a grant under this section, for each year of the grant period beginning with the second year through the fifth year, the Secretary shall not require the institution to make a cash contribution from non-Federal sources in an amount that is greater than the amount equal to 5 percent of the cost of carrying out the community college student success program at the institution for such year.

"(B) DEFINITIONS.—For purposes of this paragraph:

"(i) EXEMPT INSTITUTION.—The term 'exempt institution' means an eligible institution that is a—

"(I) Tribal college or university; or

"(II) an institution located in the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau.

"(ii) TRIBAL COLLEGE OR UNIVERSITY.—The term 'Tribal college or university' has the meaning given the term in section 316 of the Higher Education Act of 1965 (20 U.S.C. 1059c).

"(e) APPLICATION.—An eligible institution desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, which shall include a copy of the report described in 420U(e).

"(f) REQUIRED USE OF FUNDS.—An eligible institution that receives a grant under this section shall use the grant funds to—

"(1) implement a community college student success program; and

"(2) regularly review—

"(A) data to monitor the academic progress of eligible students participating in such program; and

"(B) the meeting and program participation requirements described in section 420AA(1).

"(g) PERMISSIBLE USE OF FUNDS.—An eligible institution that receives a grant under this section may use the grant to—

"(1) establish or expand a data tracking system that includes early alerts to complete the regular reviews required under subsection (f)(2);

"(2) provide eligible students participating in the community college student success program for which the grant is awarded with financial assistance to cover the costs described in paragraph (2), (3), or (8) of section 472;

"(3) establish or expand career development services for such students, such as career workshops or career counseling;

"(4) establish or expand tutoring services for such students;

"(5) cover the employment of administrators for the program whose sole job shall be to administer the program, without regard to whether the employment is full-time or less than full-time; and

"(6) provide financial support for eligible students participating in such program to enroll in courses offered during enrollment periods that are outside the fall and spring semesters (or equivalent terms).

"(h) REPORTS.—Using the postsecondary student data system established under section 132(l) or a successor system (whichever includes the most recent data) to streamline reporting requirements and minimize reporting burdens, and in coordination with the National Center for Education Statistics, the Secretary shall, on at least an annual basis, collect data with respect to each community college student success program, including the following:

"(1) Each eligible institution that receives a grant under this subpart shall, on an annual basis, provide to the Secretary such information as may be necessary for the Secretary to collect such data, including—

"(A) the demographic characteristics of the students participating in the community college student success program;

"(B) the average number of credits attempted and average number of credits earned, rate of retention, rate of degree completion, and rates of transfer of such eligible students; and

"(C) the graduation rate of such eligible students.

"(2) Each such eligible institution shall, not less than once for each year of the grant period, submit to the Secretary an annual performance report for such year of the grant period that includes—

"(A) an analysis of the implementation and progress of such program based on the sufficiently ambitious outcome goals described in the report submitted by the institution under section 420U(e)(1)(A), including challenges to and changes made to such program;

"(B) if according to the analysis under subparagraph (A), the program is not on track to meet such sufficiently ambitious outcome goals, a description of the plans to adjust the program to improve the performance of the program;

"(C) the participation of such eligible students in tutoring, career services (which can include benefit counseling), and meetings with program advisors; and

"(D) when data is available, which shall compare the data collected for such year under this paragraph with such data collected for each of the 2 years preceding the date on which the grant was awarded.

"(3) Not later than 6 years after the date on which the eligible institution received such grant, submit a final report to the Secretary that includes an analysis of—

"(A) the factors that contributed to the success or failure of the community college student success program in meeting the ambitious outcome goals described in the report submitted by the institution under section 3(e)(1)(A);

"(B) the challenges faced in attempting to implement such program;

"(C) information on how to improve such program;

"(D) whether the program has created an institution-wide reform with respect to graduation rates and transfer rates for all students, and if so, how such reform was created; and

"(E) how the eligible institution will continue to fund such program after the end of the grant period.

"SEC. 420W. EVALUATIONS.

"(a) INDEPENDENT EVALUATIONS.—Before finalizing which eligible institutions will receive grants under section 420V for a fiscal year, the Secretary, acting through the Director of the Institute of Education Sciences, shall enter into a contract with an independent evaluator—

"(1) to consult with the Secretary on which eligible institutions should receive the grants; and

"(2) to use the What Works Clearinghouse Standards (without reservations) to evaluate, throughout the duration of the grant period of such grants—

"(A) each community college student success program for which such grant is awarded, including whether the program met its ambitious outcome goals described in the report submitted by the institution under section 420U(e)(1)(A);

"(B) the average impact of community college student success programs on graduation rates and transfer rates for eligible students;

"(C) the variation in program impact across eligible institutions with respect to such rates; and

"(D) whether such programs lead to higher graduation rates and transfer rates of eligible students per dollar spent for such students by such institutions compared with such rates at eligible institutions without such programs.

"(b) RESULTS OF EVALUATIONS.—The results of the evaluations under subsection (a) shall be made publicly available on the website of the Department of Education.

"(c) FUNDING FOR EVALUATIONS.—The Secretary may reserve not more than 15 percent of the funds appropriated under section 420BB for a fiscal year to carry out this section for such fiscal year.

"SEC. 420X. OUTREACH AND TECHNICAL ASSISTANCE.

"(a) OUTREACH.—The Secretary shall conduct outreach activities to notify eligible institutions of the availability of grants under this subpart.

"(b) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance—

"(1) to eligible institutions that may be interested in applying for grants under this subpart, including assistance with applications for such grants; and

"(2) to eligible institutions awarded grants under this subpart, including assistance with—

"(A) establishing ambitious outcome goals described in section 420U(e)(1)(A); and

"(B) the implementation of a community college student success program.

"(c) FUNDING FOR TECHNICAL ASSISTANCE FOR EVALUATIONS.—The Secretary may reserve not more than 7 percent of the funds appropriated under section 420BB for a fiscal year for technical assistance under this section for such fiscal year.

"SEC. 420Y. REPORT TO CONGRESS.

"Not later than 1 year after the date on which the Secretary receives the final evaluation results under section 420W for eligible institutions that were awarded grants under section 420V for the same fiscal year, the Secretary shall submit to Congress a report that includes—

"(1) the number of grants awarded under section 420V for such fiscal year, and the amount of such grants;

"(2) the number of grants awarded under section 420U to eligible institutions that received the grants described in paragraph (1), and the amount of such grants;

"(3) the number of grants awarded under section 420U to eligible institutions that would have been eligible but did not receive the grants in paragraph (1);

"(4) such final evaluation results; and

"(5) any other information the Secretary may deem relevant.

"SEC. 420Z. SUPPLEMENT, NOT SUPPLANT.

"Funds awarded to an eligible institution under this subpart shall be used only to supplement the amount of funds that would, in the absence of the Federal funds provided under this subpart, be made available from non-Federal sources or other Federal sources to carry out the activities under this subpart, and not to supplant such funds.

"SEC. 420AA. DEFINITIONS.

"In this subpart:

"(1) COMMUNITY COLLEGE STUDENT SUCCESS PROGRAM.—The term 'community college student success program' means a program carried out by an eligible institution under which the institution carries out the following:

"(A) Provides eligible students participating in such program with an amount that covers the cost of tuition and fees that are not covered by any Federal, State, or institutional financial assistance received by the student.

"(B) Requires eligible students participating in such program to—

"(i) be enrolled in the eligible institution and carry a full-time academic workload during each fall and spring semester (or equivalent terms) during which the student participates in such program;

"(ii) if the eligible student is referred to remedial courses or is on academic probation, meet, on at least a weekly basis or under an alternate schedule, as determined by the institution, with a tutor, except that in the case of an eligible student who is academically struggling, but who is not referred to remedial courses or on academic probation, the student may meet with a tutor as often as the program advisor for such student requires or under an alternate schedule, as determined by the institution;

"(iii) meet with a program advisor—

"(I) twice each month during the first semester (or equivalent term) of participation in such program; and

"(II) as directed by the program advisor in subsequent semesters (or equivalent terms) under subparagraph (C)(ii); and

"(iv) meet with an on-campus career advisor or participate in a career services event once each semester (or equivalent term) or under an alternate schedule, as determined by the institution.

"(C) Provides a program advisor to each eligible student participating in such program who—

"(i) provides comprehensive academic and personal advising to the eligible student, including—

"(I) the creation and implementation of an academic plan for the student to graduate from a program of study at the eligible institution within 150 percent of the normal time for graduation from such program;

"(II) if an eligible student is referred to remedial courses, encouraging such student to complete such courses as quickly as possible; and

"(III) assisting the eligible student with developing and achieving academic goals, including creating strong transfer pathways that demonstrate programmatic transfer for students interested in transferring to a 4-year institution of higher education;

"(ii) after the eligible student participating in such program completes a semester (or equivalent term), creates for the eligible student a needs-based advising schedule that indicates, based on the eligible student's academic performance, the frequency with which such eligible student shall be required to meet with a program advisor for each subsequent semester (or equivalent term) of program participation;

"(iii) has a caseload of not more than 150 eligible students;

"(iv) tracks the attendance of the eligible student at the meetings described in clauses (ii), (iii), and (iv) of subparagraph (B);

"(v) monitors the academic progress of the eligible student; and

"(vi) provides each eligible student who meets the requirements of subparagraph (B), on at least a monthly basis, with financial incentives, such as a transportation pass or a gas card.

"(D) Provides free tutoring and career services (which can include benefit counseling) to eligible students participating in such program, and may reserve places in select courses for such eligible students in order to create a community within cohorts of eligible students.

"(E) Provides information to eligible students participating in such program about the eligibility of such students for assistance under the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) and the program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(2) ELIGIBLE INSTITUTION.—The term 'eligible institution' means a public 2-year institution of higher education.

"(3) ELIGIBLE STUDENT.—The term 'eligible student' means a student enrolled at an eligible institution who—

"(A) on the date such eligible student would begin participation in a community college student success program at such eligible institution—

"(i) is enrolled in a program of study leading to an associate degree;

"(ii) is enrolled at such institution and carrying a full-time academic workload during each fall and spring semester (or equivalent terms) during which the student participates in such program;

"(iii) is—

"(I) a first-time undergraduate student; or

"(II) a continuing or transfer student with not more than 15 credits and a minimum grade point average of 2.0 (or its equivalent); and

"(iv) is considered by the eligible institution to need no more than two remedial courses; and

"(B) if the student is eligible for financial aid under title IV, has completed the Free Application for Federal Student Aid or other common financial reporting form under section 483(a); and

"(C) meets any other requirements established by the institution.

"(4) FULL-TIME ACADEMIC WORKLOAD.—The term 'full-time academic workload', when used with respect to a semester or equivalent term, means at least 12 credits (or the equivalent).

"(5) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term under section 101.

"(6) TRANSFER RATE.—The term 'transfer rate', when used with respect to students enrolled in a program of study at an eligible institution, means the rate at which such students transfer to a 4-year institution of higher education.

"SEC. 420BB. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subpart $1,000,000,000, to be available until expended for fiscal year 2021 and each of the 5 succeeding fiscal years.".

SEC. 4093. FEDERAL PELL BONUS PROGRAM.

Part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) is amended by adding at the end the following:

"Subpart 12—Federal Pell Grant Bonus Program

"SEC. 420CC. FEDERAL PELL GRANT BONUS PROGRAM.

"(a) IN GENERAL.—The Secretary shall allot funds in an amount determined under subsection (b) to each eligible institution to support the attainment of bachelor's degrees among low-income students, which may include providing financial aid and student support services to such students.

"(b) ALLOTMENT FORMULA.—For each fiscal year, each eligible institution shall be allotted an amount under subsection (a) that bears the same proportion to the amount appropriated under subsection (c) for such fiscal year as the number of bachelor's degrees awarded by the institution for the award year ending prior to the beginning of the preceding fiscal year to students who, during such award year, received a Federal Pell Grant and graduated from the program in which such students were enrolled in the normal time for completion of such program (within the meaning of section 132(i)(1)(J)(i)) bears to the total number of bachelor's degrees awarded to such students by all eligible institutions for such award year.

"(c) DATA.—In determining the allotments under subsection (b), the Secretary may request from eligible institutions any data that may be necessary.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, and there are appropriated, to carry out this section $500,000,000 for fiscal year 2021 and each succeeding fiscal year. Any amounts appropriated under this subsection shall be available until expended.

"(e) DEFINITIONS.—In this section:

"(1) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution of higher education (as defined in section 101)—

"(A) in which, for the 3 most recent award years, the average percentage of undergraduate students enrolled at the institution who received Federal Pell Grants is not less than 25 percent of the total number of undergraduate students enrolled at such institution; and

"(B) that has not opted out of receiving an allotment under this section.

"(2) LOW-INCOME STUDENT.—The term 'low-income student' has the meaning given such term in section 499R(3).".

PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM

SEC. 4101. TERMINATION OF CERTAIN REPAYMENT PLAN OPTIONS AND OPPORTUNITY TO CHANGE REPAYMENT PLANS.

(a) SELECTION OF REPAYMENT PLANS.—Section 428(b) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (D)—

(i) in clause (ii), by striking "may annually change the selection of a repayment plan under this part," and inserting "may at any time after

July 1, 2021, change the selection of a repayment plan under this part to one of the 2 repayment plans described in paragraph (9)(C),"; and

(ii) in clause (iii), by striking "be subject to income contingent repayment in accordance with subsection (m);" and inserting "be subject to income-based repayment in accordance with section 493C(f);"; and

(B) in subparagraph (E)(i), by striking "the option of repaying the loan in accordance with a standard, graduated, income-sensitive, or extended repayment schedule (as described in paragraph (9)) established by the lender in accordance with regulations of the Secretary; and" and inserting "the option of repaying the loan in accordance with a repayment plan described in paragraph (9)(C) established by the lender in accordance with regulations of the Secretary; and"; and

(2) in paragraph (9), by adding at the end the following:

"(C) SELECTION OF REPAYMENT PLANS ON AND AFTER JULY 1, 2021.—Notwithstanding any other provision of this paragraph, or any other provision of law, and in accordance with regulations, beginning on July 1, 2021, the lender shall offer a borrower of a loan made, insured, or guaranteed under this part the opportunity to change repayment plans, and to enroll in one of the following repayment plans:

"(i) A fixed repayment plan described in section 493E.

"(ii) The income-based repayment plan under section 493C(f).".

(b) ASSIGNMENT BY THE SECRETARY.—Section 428(m) of the Higher Education Act of 1965 (20 U.S.C. 1078(m)) is amended—

(1) in the subsection heading, by striking "INCOME CONTINGENT AND";

(2) by amending paragraph (1) to read as follows:

"(1) AUTHORITY OF SECRETARY TO REQUIRE.—The Secretary may require borrowers who have defaulted on loans made under this part that are assigned to the Secretary under subsection (c)(8) to repay those loans under the income-based repayment plan under section 493C(f).."; and

(3) in the heading for paragraph (2), by striking "INCOME CONTINGENT OR".

SEC. 4102. TERMINATION OF INTEREST CAPITALIZATION FOR SUBSIDIZED LOANS AFTER CERTAIN PERIODS.

Section 428(c)(3)(C) of the Higher Education Act of 1965 (20 U.S.C. 1078(c)(3)(C)) is amended—

(1) in clause (iii), by inserting before the semicolon the following: ", and with respect to a forbearance granted to a borrower on or after the date of enactment of the College Affordability Act on a loan made, insured or guaranteed under this section, provide information to the borrower to assist the borrower in understanding that interest shall accrue on the loan but not be capitalized at the expiration of such period of forbearance"; and

(2) in clause (iv)—

(A) in subclause (III), by inserting before the semicolon at the end the following: ", except that this subclause shall not apply with respect to any period of forbearance beginning on or after the date of enactment of the College Affordability Act"; and

(B) in subclause (IV), by inserting before the semicolon at the end the following: "except that this subclause shall not apply with respect to any period of forbearance beginning on or after the date of enactment of the College Affordability Act".

SEC. 4103. TERMINATION OF INTEREST CAPITALIZATION FOR PLUS LOANS AFTER CERTAIN PERIODS.

Section 428B(d)(2) of the Higher Education Act of 1965 (20 U.S.C. 1078–2(d)(2)) is amended—

(1) in subparagraph (A), by striking "Interest on" and inserting "Subject to subparagraph (C), interest on"; and

(2) by adding at the end the following:

"(C) INTEREST CAPITALIZATION.—Interest shall not be added to the principal amount of a loan made under this section at the expiration of any period that begins on or after the date of enactment of the College Affordability Act, of—

"(i) deferment described in clause (i)(II), (ii), (iii), or (iv) of section 427(a)(2)(C) or clause (i)(II), (ii), (iii), (iv), or (v) of section 428(b)(1)(M); or

"(ii) forbearance.".

SEC. 4104. CONSOLIDATION LOANS.

(a) SUBSEQUENT CONSOLIDATION LOANS.—Section 428C(a)(3)(B)(i)(V) of the Higher Education Act of 1965 (20 U.S.C. 1078–3(a)(3)(B)(i)(V)) is amended—

(1) by striking "or" at the end of item (bb);

(2) by striking the period at the end of item (cc) and inserting a semicolon; and

(3) by adding at the end the following:

"(dd) for the purpose of separating a joint consolidation loan into 2 separate Federal Direct Consolidation Loans under section 455(g)(2); or

"(ee) for the purpose of section 455(m)(9)(A)(ii), 493C(f)(2)(G), or 493E(c).".

(b) TERMINATION OF INTEREST CAPITALIZATION AFTER CERTAIN PERIODS.—Section 428C(b)(4)(C)(ii)(III) of the Higher Education Act of 1965 (20 U.S.C. 1078–3(b)(4)(C)(ii)(III)) is amended by inserting before the semicolon the following: ", except that with respect to a period of deferment described in clause (i)(II), (ii), (iii), (iv), or (v) of section 428(b)(1)(M), or any period of forbearance, beginning on or after the date of enactment of the College Affordability Act on such a consolidation loan, interest shall not be capitalized at the expiration of such period of deferment or forbearance".

SEC. 4105. DEFAULT REDUCTION PROGRAM.

Section 428F(a)(1)(C) of the Higher Education Act of 1965 (20 U.S.C. 1078–6(a)(1)(C)) is amended by striking "to remove the record of the default from the borrower's credit history" and inserting "to remove any adverse item of information relating to such loan from the borrower's credit history".

SEC. 4106. TERMINATION OF INTEREST CAPITALIZATION FOR UNSUBSIDIZED LOANS AFTER CERTAIN PERIODS.

Section 428H(e)(2)(A)(ii)(III) of the Higher Education Act of 1965 (20 U.S.C. 1078–8(e)(2)(A)(ii)(III)) is amended by inserting before the semicolon the following: ", except that with respect to a period of deferment described in clause (i)(II), (ii), (iii), or (iv) of section 427(a)(2)(C) or clause (i)(II), (ii), (iii), (iv), or (v) of section 428(b)(1)(M), or any period of forbearance, beginning on or after the date of enactment of the College Affordability Act on a loan made, insured, or guaranteed under this section, interest shall not be added to the principal amount of the loan at the expiration of such period of deferment or forbearance".

SEC. 4107. DISBURSEMENT OF STUDENT LOANS.

Section 428G of the Higher Education Act of 1965 (20 U.S.C. 1078–7(a)) is amended—

(1) in subsection (a) by adding at the end the following:

"(5) ADJUSTED COHORT DEFAULT RATE.—Beginning on the date on which the final adjusted cohort default rates are published by the Secretary for not less than 3 fiscal years under section 435(m), an institution whose adjusted cohort default rate (as determined under section 435(m)) for each of the 3 most recent fiscal years for which data are available is less than 5 percent may disburse any loan made, insured, or guaranteed under this part in a single installment for any period of enrollment that is not more than 1 semester, 1 trimester, 1 quarter, or 4 months."; and

(2) in subsection (e), by inserting before the period the following: ", or beginning on the date on which the final adjusted cohort default rates are published by the Secretary for fiscal year 2018 under section 435(m), an adjusted cohort default rate (as determined under section 435(m)) of less than 2 percent".

SEC. 4108. STUDENT LOAN CONTRACT AND LOAN DISCLOSURES.

(a) STUDENT LOAN CONTRACT.—Section 432(m)(1)(D) of the Higher Education Act of 1965 (20 U.S.C. 1082(m)(1)(D)) is amended by adding at the end the following:

"(iv) STUDENT LOAN CONTRACT.—

"(I) IN GENERAL.—Any master promissory note form described in this subparagraph that is developed or used for loans made under part D for periods of enrollment beginning on or after the date of enactment of the College Affordability Act shall be referred to as a 'student loan contract'.

"(II) CLARIFICATION ON USE.—Notwithstanding clause (i), each student loan contract for a part D loan made for periods of enrollment beginning on or after the date of enactment of the College Affordability Act shall—

"(aa) not be entered into by a student unless the student has completed all required counseling related to such loan, including counseling required under section 485(l);

"(bb) be signed by the student entering such student loan contract after completion of such counseling; and

"(cc) be used only for the academic year for which the initial loans are made under the contract, and shall not be valid for additional loans for the same or subsequent periods of enrollment.".

(b) LOAN DISCLOSURES.—Section 432(m)(1)(D) of the Higher Education Act of 1965 (20 U.S.C. 1082(m)(1)(D)) is further amended by adding after clause (iv) (as added) the following:

"(v) LOAN DISCLOSURES.—For loans made for periods of enrollment beginning on or after the date of enactment of the College Affordability Act, the Secretary shall take such steps as are necessary to streamline the student loan disclosure requirements under this Act. The Secretary shall ensure that information required to be disclosed to a student who is applying for, receiving, or preparing to repay a loan under part D of this Act shall be streamlined in a manner that—

"(I) based upon consumer testing, reduces and simplifies the paperwork students are required to complete; and

"(II) limits the number of times students are presented with disclosures by incorporating the streamlined disclosures into required student loan counseling under section 485(l), the student loan contract under this subparagraph, or both.".

SEC. 4109. BORROWER ADVOCATE CONFORMING AMENDMENTS.

Section 433 of the Higher Education Act of 1965 (20 U.S.C. 1083) is amended—

(1) in subsection (b)(13), by striking "Student Loan Ombudsman" and inserting "Borrower Advocate"; and

(2) in subsection (e)(3)(E), by striking "Student Loan Ombudsman" and inserting "Borrower Advocate".

SEC. 4110. COHORT DEFAULT RATES.

(a) INELIGIBILITY BASED ON HIGH DEFAULT RATES.—

(1) IN GENERAL.—Section 435(a) of the Higher Education Act of 1965 (20 U.S.C. 1085(a)) is amended—

(A) in paragraph (7)(A), by adding at the end the following:

"(iii) DEFAULT MANAGEMENT PLAN.—The default management plan required under clause (i) may not include placing students in forbearance as a means of reducing the cohort default rate or the adjusted cohort default rate of the institution."; and

(B) by adding at the end the following:

"(9) INELIGIBILITY BASED ON HIGH ADJUSTED COHORT DEFAULT RATES.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (D), beginning on the date that is one year after the date on which the final adjusted cohort default rates are published by the Secretary for not less than 3 fiscal years, in a case in which one of the following determinations is made with respect to an institution, such institution shall be ineligible to participate in a program under this title for the fiscal year for which the determination is made and for the two succeeding fiscal years:

"(i) The institution's adjusted cohort default rate is greater than 20 percent for each of the 3 most recent fiscal years for which the final adjusted cohort default rates are published.

"(ii) With respect to the 6 most recent fiscal years for which the final adjusted cohort default rates are published—

"(I) the institution's adjusted cohort default rate is greater than 15 percent for each such fiscal year; and

"(II) the Secretary determines that, during such 6-year period, the institution has not made adequate progress in meeting standards for student achievement established by the relevant accrediting agency or association pursuant to section 496(a)(5)(A).

"(iii) With respect to the 8 most recent fiscal years for which the final adjusted cohort default rates are published—

"(I) the institution's adjusted cohort default rate is greater than 10 percent for each such fiscal year; and

"(II) the Secretary determines that, during such 8-year period, the institution has not made adequate progress in meeting standards for student achievement established by the relevant accrediting agency or association pursuant to section 496(a)(5)(A).

"(B) EXCEPTIONS FOR CERTAIN CATEGORIES OF EDUCATIONAL PROGRAMS.—With respect to an institution that loses eligibility to participate in a program under this title in accordance with subparagraph (A)(ii), such institution may request and be granted an exception to such loss of eligibility for a category of educational programs at such institution by demonstrating to

the Secretary that the adjusted cohort default rate for the category of educational programs is 15 percent or less for each fiscal year of the 6-year period on which such loss of eligibility for the institution is based.

"(C) DETERMINATION OF THE ADJUSTED COHORT RATE FOR A CATEGORY OF EDUCATIONAL PROGRAMS.—In determining the adjusted cohort default rate for a category of educational programs for purposes of this paragraph—

"(i) subsection (m) shall be applied—

"(I) in paragraph (1)—

"(aa) in subparagraph (A), by substituting 'received for enrollment in the category of educational programs for which such rate is being determined' for 'received for attendance at the institution'; and

"(bb) in subparagraph (E)(i)(II), by substituting, 'percentage of students enrolled in the category of educational programs for which such rate is being determined' for 'percentage of students enrolled at the institution'; and

"(II) as if the following were added at the end of paragraph (2):

"'(E) In the case of a student who has received a loan for enrollment in more than one category of educational programs, the student (and such student's subsequent repayment or default) is attributed to the last category of educational programs in which such student was enrolled.'.

"(D) TRANSITION EXCEPTION.—

"(i) IN GENERAL.—A covered institution with an adjusted cohort default rate that is greater than 20 percent for the first fiscal year for which such rates are published by the Secretary may request that any determination of such institution's ineligibility under paragraph (9)(A) not be based on the adjusted cohort default rate of such institution for any or all of the first 3 fiscal years for which such rates are published by the Secretary.

"(ii) REQUIREMENT.—To be granted a request under clause (i), an institution shall submit to the Secretary a default management plan as specified in paragraph (7).

"(iii) DEFINITION OF COVERED INSTITUTION.—In this subparagraph, the term 'covered institution' means—

"(I) a public institution of higher education;

"(II) a part B institution (as defined in section 322); or

"(III) a private, nonprofit institution of higher education at which not less than 45 percent of the total student enrollment consists of low-income students (as such term is defined in section 419N(b)(7)).

"(E) CATEGORY OF EDUCATIONAL PROGRAMS DEFINED.—The term 'category of educational programs', when used with respect to an institution, means one of the following:

"(i) The educational programs at the institution leading to an undergraduate, non-degree credential.

"(ii) The educational programs at the institution leading to an associate's degree.

"(iii) The educational programs at the institution leading to a bachelor's degree.

"(iv) The educational programs at the institution leading to a graduate, non-degree credential.

"(v) The educational program at the institution leading to a graduate degree.

"(10) APPLICATION OF ADJUSTED COHORT DEFAULT RATE.—Beginning on the date on which the final adjusted cohort default rates are published by the Secretary for not less than 3 fiscal years—

"(A) paragraph (1) shall be applied by substituting 'paragraph (9)' for 'paragraph (2)'.

"(B) paragraph (3) shall be applied by substituting 'adjusted cohort default rate, calculated in accordance with subsection (m)(1)(D), is greater than 20 percent for any 3 consecutive fiscal years' for 'cohort default rate, calculated in accordance with subsection (m), is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv) for any two consecutive fiscal years';

"(C) paragraph (4) shall be applied—

"(i) in subparagraph (C), by substituting 'adjusted cohort default rate is greater than 15 percent' for 'cohort default rate equals or exceeds 20 percent'; and

"(ii) in the matter following subparagraph (C), by substituting 'adjusted cohort default rate to reflect the percentage of defaulted loans

in the representative sample that are required to be excluded pursuant to subsection (m)(1)(B)' for 'cohort default rate to reflect the percentage of defaulted loans in the representative sample that are required to be excluded pursuant to subsection (m)(1)(B)';

"(D) paragraph (5)(A) shall be applied by substituting 'paragraph (9)' for 'paragraph (2)'; and

"(E) paragraph (7) shall be applied—

"(i) in subparagraph (A)(i)—

"(I) in the matter preceding subclause (I), by substituting 'adjusted cohort default rate is greater than 20 percent' for 'cohort default rate is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv)'; and

"(II) in subclauses (I) and (II), by substituting 'adjusted cohort default rate' for 'cohort default rate'; and

"(ii) in subparagraph (B)(i), by substituting 'adjusted cohort default rate is greater than 20 percent' for 'cohort default rate is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv)'.".

(2) CONFORMING AMENDMENTS.—Section 435(a)(2) of the Higher Education Act of 1965 (20 U.S.C. 1085(a)) is amended—

(A) in the paragraph heading, by adding at the end the following: "BEFORE FISCAL YEAR 2018"; and

(B) in subparagraph (B)(iv), by striking "and any succeeding fiscal year" and inserting "through fiscal year 2017".

(b) ADJUSTED COHORT DEFAULT RATE DEFINED.—Section 435(m)(1) of the Higher Education Act of 1965 (20 U.S.C. 1085(m)(1)) is amended by adding at the end the following:

"(D)(i) With respect to a cohort default rate calculated for an institution under this paragraph for fiscal year 2018 and for each succeeding fiscal year, such cohort default rate shall be adjusted as follows:

"(I) In determining the number of current and former students at an institution who enter repayment for such fiscal year—

"(aa) any such student who is in nonmandatory forbearance for such fiscal year for a period of greater than 18 months but less than 36 months shall not be counted as entering repayment for such fiscal year;

"(bb) such a student shall be counted as entering repayment for the first fiscal year for which the student ceases to be in a period of forbearance and otherwise meets the requirements for being in repayment; and

"(cc) any such student who is in a period of forbearance for 3 or more years shall be counted as in default and included in the institution's total number of students in default.

"(II) Such rate shall be multiplied by the percentage of students enrolled at the institution for such fiscal year who are borrowing a loan under part D of this title.

"(ii) The result obtained under this subparagraph for an institution shall be referred to in this Act as the 'adjusted cohort default rate'.".

(c) PUBLICATION OF ADJUSTED COHORT DEFAULT RATE.—Section 435(m) of the Higher Education Act of 1965 (20 U.S.C. 1085(m)) is amended by adding at the end the following:

"(5) ADJUSTED COHORT DEFAULT RATES.—Beginning on the date on which the final adjusted cohort default rates for fiscal year 2018 are made available for publication by the Secretary, paragraph (4) shall be applied by substituting 'adjusted cohort default' for 'cohort default' each place it appears.".

SEC. 4111. AUTOMATIC INCOME MONITORING PROCEDURES AFTER A TOTAL AND PERMANENT DISABILITY DISCHARGE.

Section 437(a) of the Higher Education Act of 1965 (20 U.S.C. 1087(a)) is amended by adding at the end the following:

"(3) AUTOMATIC INCOME MONITORING.—

"(A) IN GENERAL.—Not later than 2 years after the date of enactment of the College Affordability Act, the Secretary shall establish and implement, with respect to any borrower described in subparagraph (B), procedures to—

"(i) obtain (for each year of the income-monitoring period described in subparagraph (B) and without further action by the borrower) such information as is reasonably necessary regarding the income of such borrower for the purpose of determining the borrower's continued eligibility for the loan discharge described in subparagraph (B) for such year, and any other information necessary to determine such continued

eligibility of the borrower for such year, except that in the case of a borrower whose returns and return information indicate that the borrower has no earned income for any year of such income-monitoring period, such borrower shall be treated as not having earned income in excess of the poverty line for such year subject to clause (ii);

"(ii) allow the borrower, at any time, to opt out of clause (i) and prevent the Secretary from obtaining information under such clause without further action by the borrower; and

"(iii) provide the borrower with an opportunity to update the information obtained under clause (i) before the determination of the borrower's continued eligibility for such loan discharge for such year.

"(B) APPLICABILITY.—Subparagraph (A) shall apply—

"(i) to each borrower of a covered loan (defined in section 455(d)(10)) that is discharged under this subsection or section 464(c)(1)(F) due to the permanent and total disability of the borrower; and

"(ii) during the income-monitoring period under this subsection, defined in this paragraph as the period—

"(I) beginning on the date on which such loan is so discharged; and

"(II) during which the Secretary determines whether a reinstatement of the obligation of, and resumption of collection on, such loan may be necessary.".

SEC. 4112. AUTOMATIC CLOSED SCHOOL DISCHARGE.

Section 437(c) of the Higher Education Act of 1965 (20 U.S.C. 1087(c)) is amended—

(1) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6), respectively; and

(2) by inserting after paragraph (1), the following:

"(2) AUTOMATIC CLOSED SCHOOL DISCHARGE.—

"(A) SECRETARIAL REQUIREMENTS.—With respect to a borrower described in subparagraph (B), the Secretary shall, without any further action by the borrower, discharge the borrower's liability on the loan described in subparagraph (B)(i).

"(B) BORROWER REQUIREMENTS.—A borrower described in this subparagraph means a borrower who—

"(i) receives a loan—

"(I) made, insured, or guaranteed under this title for enrollment in a program that the borrower was unable to complete due to the closure of the institution; and

"(II) for which the Secretary has not already discharged the borrower's liability on such loan pursuant to this subsection; and

"(ii) as of the date that is 2 years after the closure of the institution, has not re-enrolled in an institution of higher education that participates in programs under this title.".

SEC. 4113. REPAYMENT OF PARENT LOANS DUE TO STUDENT DISABILITY.

Section 437(d) of the Higher Education Act of 1965 (20 U.S.C. 1087(d)) is amended—

(1) by striking "If a student" and inserting the following:

"(1) DEATH.—If a student"; and

(2) by adding at the end the following:

"(2) DISABILITY.—

"(A) IN GENERAL.—The Secretary shall discharge a parent's liability on a loan described in section 428B by repaying the amount owed on the loan if the student on whose behalf the parent has received the loan—

"(i) becomes permanently and totally disabled (as determined in accordance with regulations of the Secretary); or

"(ii) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months.

"(B) DISABILITY DETERMINATIONS.—Subsection (a)(2) shall apply to a disability determination under this paragraph in the same manner as such subsection applies to a determination under subsection (a)(1).

"(C) SAFEGUARDS.—The safeguards to prevent fraud and abuse developed under subsection (a)(1) shall apply under this paragraph.

"(D) REINSTATEMENT OF LOANS.—The Secretary may promulgate regulations to reinstate the obligation of, and resume collection on, loans dis-

charged under this paragraph in cases in which the Secretary determines that the reinstatement and resumption is necessary and appropriate based upon the regulations developed under subsection (a)(1).".

PART C—FEDERAL WORK-STUDY PROGRAMS

SEC. 4201. PURPOSE; AUTHORIZATION OF APPROPRIATIONS.

Section 441 of the Higher Education Act of 1965 (20 U.S.C. 1087–51) is amended—

(1) in subsection (b), by striking "part, such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years." and inserting "part—

"(1) $1,500,000,000 for fiscal year 2021;

"(2) $1,750,000,000 for fiscal year 2022;

"(3) $2,000,000,000 for fiscal year 2023;

"(4) $2,250,000,000 for fiscal year 2024; and

"(5) $2,500,000,000 for fiscal year 2025 and each succeeding fiscal year.";

(2) in subsection (c)—

(A) in paragraph (1), by inserting "child development and early learning (including Head Start and Early Head Start programs carried out under the Head Start Act (42 U.S.C. 9831 et seq.)),", before "literacy training,";

(B) in paragraph (3), by striking "and";

(C) in paragraph (4)(C), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following:

"(5) work-based learning designed to give students experience in any activity described in paragraph (1), (2), (3), or (4), without regard to whether credit is awarded."; and

(3) by adding at the end the following:

"(d) WORK-BASED LEARNING DEFINED.—For purposes of this part, the term 'work-based learning' means sustained interactions with industry, community, or academic professionals in real workplace settings that shall—

"(1) include on campus opportunities;

"(2) foster in-depth, first-hand engagement with the tasks required of a given career field that are aligned to a student's field of study; and

"(3) may include internships, fellowships, research assistant positions, teacher residencies, participation in cooperative education, and apprenticeships registered under the Act of August 16, 1937 (commonly known as the "National Apprenticeship Act"; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.).".

SEC. 4202. ALLOCATION FORMULA.

Section 442 of the Higher Education Act of 1965 (20 U.S.C. 1087–52) is amended to read as follows:

"SEC. 442. ALLOCATION OF FUNDS.

"(a) RESERVATIONS.—

"(1) RESERVATION FOR IMPROVED INSTITUTIONS.—

"(A) AMOUNT OF RESERVATION FOR IMPROVED INSTITUTIONS.—Beginning with the first fiscal year that is 2 years after the date of the enactment of the College Affordability Act, for a fiscal year in which the amount appropriated under section 441(b) exceeds $700,000,000, the Secretary shall—

"(i) reserve the lesser of—

"(I) an amount equal to 20 percent of the amount by which the amount appropriated under section 441(b) exceeds $700,000,000; or

"(II) $150,000,000; and

"(ii) allocate the amount reserved under clause (i) to each improved institution in an amount equal to the greater of the following:

"(I) The amount that bears the same proportion to the amount reserved under clause (i) as the total amount of all Federal Pell Grant funds awarded at the improved institution for the second preceding fiscal year bears to the total amount of Federal Pell Grant funds awarded at improved institutions participating under this part for the second preceding fiscal year.

"(II) $5,000.

"(B) IMPROVED INSTITUTION DESCRIBED.—For purposes of this paragraph, an improved institution is an institution that, on the date the Secretary makes an allocation under subparagraph (A)(ii)—

"(i) is an institution of higher education (as defined under section 101) participating under this part;

"(ii) is with respect to—

"(I) the completion rate or graduation rate of Federal Pell Grant recipients at the institution, in the top 75 percent of all institutions participating under this part for the preceding fiscal year;

"(II) the percentage of Federal Pell Grant recipients at the institution, in the top 50 percent of the institutions described in subclause (I); and

"(III) the annual increase in the completion rate or graduation rate of Federal Pell Grant recipients at the institution, in the top 50 percent of the institutions described in subclauses (I) and (II).

"(C) COMPLETION RATE OR GRADUATION RATE.—For purposes of determining the completion rate or graduation rate under this section, a Federal Pell Grant recipient who is either a full-time student or a part-time student shall be counted as a completer or graduate if, within 150 percent of the normal time for completion of or graduation from the program, the student has completed or graduated from the program, or enrolled in any program of an institution participating in any program under this title for which the prior program provides substantial preparation.

"(2) RESERVATION FOR GRANT PROGRAM.—From the amount appropriated under section 441(b) for a fiscal year and remaining after the Secretary reserves funds under subparagraph (A), the Secretary shall reserve $30,000,000 to carry out grants under section 449.

"(3) REALLOCATION OF AMOUNT RETURNED BY IMPROVED INSTITUTIONS.—If an institution returns to the Secretary any portion of the sums allocated to such institution under this subsection for any fiscal year, the Secretary shall reallot such excess to improved institutions on the same basis as under paragraph (1)(A).

"(4) PUBLICATION.—Beginning 1 year after the first allocations are made to improved institutions under paragraph (1)(A) and annually thereafter, the Secretary shall make publicly available—

"(A) a list of the improved institutions that received funding under such paragraph in the prior fiscal year;

"(B) the percentage of students at each such improved institution that are Federal Pell Grant recipients;

"(C) the completion rate or graduation rate for the students described in subparagraph (B) with respect to each such improved institution; and

"(D) a comparison between the information described in subparagraphs (A), (B), and (C) for the prior fiscal year for such improved institution, and such information for the year prior to such year.

"(c) ALLOCATION FORMULA FOR FISCAL YEARS 2021 THROUGH 2025.—

"(1) IN GENERAL.—From the amount appropriated under section 441(b) for a fiscal year and remaining after the Secretary reserves funds under subsection (a), the Secretary shall allocate to each institution—

"(A) for fiscal year 2021, an amount equal to the greater of—

"(i) 90 percent of the amount the institution received under this subsection and subsection (a) for fiscal year 2020, as such subsections were in effect with respect to such fiscal year (in this subparagraph referred to as 'the 2020 amount for the institution'); or

"(ii) the fair share amount for the institution determined under subsection (d);

"(B) for fiscal year 2022, an amount equal to the greater of—

"(i) 80 percent of the 2020 amount for the institution; or

"(ii) the fair share amount for the institution determined under subsection (d);

"(C) for fiscal year 2023, an amount equal to the greater of—

"(i) 60 percent of the 2020 amount for the institution; or

"(ii) the fair share amount for the institution determined under subsection (d);

"(D) for fiscal year 2024, an amount equal to the greater of—

"(i) 40 percent of the 2020 amount for the institution; or

"(ii) the fair share amount for the institution determined under subsection (d); and

"(E) for fiscal year 2025, an amount equal to the greater of—

"(i) 20 percent of the 2020 amount for the institution; or

"(ii) the fair share amount for the institution determined under subsection (d).

"(2) RATABLE REDUCTION.—

"(A) IN GENERAL.—If the amount appropriated under section 441(b) for a fiscal year and remaining after the Secretary reserves funds under subsection (a) is less than the amount required to be allocated to the institu-

tions under this subsection, then the amount of the allocation to each institution shall be ratably reduced.

"(B) ADDITIONAL APPROPRIATIONS.—If the amounts allocated to each institution are ratably reduced under subparagraph (A) for a fiscal year and additional amounts are appropriated for such fiscal year, the amount allocated to each institution from the additional amounts shall be increased on the same basis as the amounts under subparagraph (A) were reduced (until each institution receives the amount required to be allocated under this subsection).

"(d) ALLOCATION FORMULA FOR FISCAL YEAR 2026 AND EACH SUCCEEDING FISCAL YEAR.—Except as provided in subsection (d)(5), from the amount appropriated under section 441(b) for fiscal year 2026 and each succeeding fiscal year and remaining after the Secretary reserves funds under subsection (a), the Secretary shall allocate to each institution the fair share amount for the institution determined under subsection (d).

"(e) DETERMINATION OF FAIR SHARE AMOUNT.—

"(1) IN GENERAL.—Subject to paragraph (2), the fair share amount for an institution for a fiscal year shall be equal to the sum of—

"(A) 100 percent of the institution's undergraduate student need described in paragraph (2) for the preceding fiscal year; and

"(B) 25 percent of the institution's graduate student need described in paragraph (3) for the preceding fiscal year.

"(2) INSTITUTIONAL UNDERGRADUATE STUDENT NEED CALCULATION.—The undergraduate student need for an institution for a fiscal year shall be equal to the sum of the following:

"(A) An amount equal to 50 percent of the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of Federal Pell Grant funds awarded at the institution for the preceding fiscal year bears to the total amount of Federal Pell Grant funds awarded at all institutions participating under this part for the preceding fiscal year.

"(B) An amount equal to 50 percent of the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of the undergraduate student need at the institution for the preceding fiscal year bears to the total amount of undergraduate student need at all institutions participating under this part for the preceding fiscal year.

"(3) INSTITUTIONAL GRADUATE STUDENT NEED CALCULATION.—The graduate student need for an institution for a fiscal year shall be equal to the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of the graduate student need at the institution for the preceding fiscal year bears to the total amount of graduate student need at all institutions participating under this part for the preceding fiscal year.

"(4) ELIGIBILITY FOR FAIR SHARE AMOUNT.—The Secretary may not allocate funds under this part to any institution that, for two or more fiscal years during any three fiscal year period beginning not earlier than the first day of the first fiscal year that is 2 years after the date of the enactment of this paragraph, has—

"(A) a student population with less than 7 percent of undergraduate students who are recipients of Federal Pell Grants; or

"(B) if the institution only enrolls graduate students, a student population with less than 5 percent of students that have an expected family contribution of zero.

"(5) DEFINITIONS.—In this subsection:

"(A) AVAILABLE APPROPRIATED AMOUNT.—In this section, the term 'available appropriated amount' means—

"(i) the amount appropriated under section 441(b) for a fiscal year, minus

"(ii) the amounts reserved under subsection (a) for such fiscal year.

"(B) AVERAGE COST OF ATTENDANCE.—The term 'average cost of attendance' means, with respect to an institution, the average of the attendance costs for a fiscal year for students which shall include—

"(i) tuition and fees, computed on the basis of information reported by the institution to the Secretary, which shall include—

"(I) total revenue received by the institution from undergraduate and graduate tuition and fees for the second year preceding the year for which it is applying for an allocation; and

"(II) the institution's enrollment for such second preceding year;

"(ii) standard living expenses equal to 150 percent of the difference between the income protection allowance for a family of five with one in college and the income protection allowance for a family of six with one in college for a single independent student; and

"(iii) books and supplies, in an amount not exceeding $1,000.

"(C) GRADUATE STUDENT NEED.—The term 'graduate student need' means, with respect to a graduate student for a fiscal year, the lesser of the following:

"(i) The amount equal to (except the amount computed by this clause shall not be less than zero)—

"(I) the average cost of attendance for the preceding fiscal year, minus

"(II) such graduate student's expected family contribution (computed in accordance with part F of this title) for the preceding fiscal year.

"(ii) The total annual loan limit for a Federal Direct Unsubsidized Stafford Loan.

"(D) UNDERGRADUATE STUDENT NEED.—The term 'undergraduate student need' means, with respect to an undergraduate student for a fiscal year, the lesser of the following:

"(i) The total of the amount equal to (except the amount computed by this clause shall not be less than zero)—

"(I) the average cost of attendance for the fiscal year, minus

"(II) such undergraduate student's expected family contribution (computed in accordance with part F of this title) for the preceding fiscal year.

"(ii) The total annual loan limit for a Federal Direct Unsubsidized Stafford Loan and a Federal Direct Loan.

"(f) RETURN OF SURPLUS ALLOCATED FUNDS.—

"(1) IN GENERAL.—Except with respect to funds returned under subsection (a)(3), if an institution returns to the Secretary any portion of the sums allocated to such institution under this section for any fiscal year, the Secretary shall reallot such excess to institutions that used at least 10 percent of the total amount of funds granted to such institution under this section to compensate students employed during a qualified period of nonenrollment (as such term is defined in section 443(f)) on the same basis as excess eligible amounts are allocated under subsection (d).

"(2) USE OF FUNDS.—Funds received by institutions pursuant to this subsection shall, to maximum extent practicable, be used to compensate students employed in work-based learning positions.

"(3) RETAINED FUNDS.—

"(A) AMOUNT RETURNED.—If an institution returns more than 10 percent of its allocation under paragraph (1), the institution's allocation for the next fiscal year shall be reduced by the amount returned.

"(B) WAIVER.—The Secretary may waive this paragraph for a specific institution if the Secretary finds that enforcing this paragraph would be contrary to the interest of the program.

"(g) FILING DEADLINES.—The Secretary may require applications under this section, at such time, in such manner, and containing such information as the Secretary may require.".

SEC. 4203. GRANTS FOR FEDERAL WORK-STUDY PROGRAMS.

Section 443 of the Higher Education Act of 1965 (20 U.S.C. 1087–53) is amended—

(1) in subsection (b)—

(A) by amending paragraph (2) to read as follows:

"(2) provide that funds granted an institution of higher education, pursuant to this section may only be used to make payments to students participating in work-study programs except that an institution—

"(A) shall, beginning fiscal year 2023—

"(i) use at least 3 percent of the total amount of funds granted to such institution under this section for such fiscal year to compensate students who have exceptional need (as defined in section 413C(c)(2)) and are employed in a work-based learning position during a qualified period of nonenrollment, as defined in subsection (f), except that the Secretary may waive this clause if the Secretary determines that enforcing this clause would cause hardship for students at the institution; and

"(ii) use at least 7 percent of the total amount of funds granted to such institution under this section for such fiscal year to compensate students employed in work-based learning positions, except that the Secretary may waive this clause if the Secretary determines that enforcing this clause would cause hardship for students at the institution;

"(B) may—

"(i) use a portion of the sums granted to it to compensate students employed in community service;

"(ii) use a portion of the sums granted to it to meet administrative expenses in accordance with section 489;

"(iii) use a portion of the sums granted to it to meet the cost of a job location and development program in accordance with section 446 of this part; and

"(iv) transfer funds in accordance with the provisions of section 488;";

(B) in paragraph (4)—

(i) by striking "$300" and inserting "$500"; and

(ii) by inserting "except as provided under subsection (f)," before "provide";

(C) in paragraph (5)—

(i) in subparagraph (A)(ii), by striking "and" at the end;

(ii) in subparagraph (B), by inserting "and" after the semicolon; and

(iii) by adding at the end the following:

"(C) the Federal share shall equal 100 percent if the institution is eligible for assistance under title III or title V;".

(D) in paragraph (6)—

(i) by inserting "who demonstrate exceptional need (as defined in section 413C(c)(2))" after "students"; and

(ii) by inserting "and prioritize employment for students who are currently homeless individuals described in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a) or foster care youth" after "institution";

(E) in paragraph (7), by striking "vocational" and inserting "career";

(F) in paragraph (8)(A)(i), by striking "or vocational goals" and inserting "career goals";

(G) in paragraph (10), by striking "; and" and inserting a semicolon;

(H) in paragraph (11), by striking the period at the end and inserting a semicolon; and

(I) by adding at the end the following:

"(12) provide assurances that compensation of students employed in the work-study program in accordance with the agreement shall include reimbursement for reasonable travel (not including the purchase of a vehicle) directly related to such work-study program;

"(13) provide assurances that the institution will administer and use feedback from the surveys required under section 450, to improve the experiences of students employed in the work-study program in accordance with the agreement;

"(14) provide assurances that the institution will collect data from students and employers such that the employment made available from funds under this part will, to the maximum extent practicable, complement and reinforce the educational goals or career goals of each student receiving assistance under this part; and

"(15) provide assurances that if the institution receives funds under section 442(a)(1)(A), such institution shall—

"(A) use such funds to compensate students employed in the work-study program in accordance with the agreement; and

"(B) prioritize the awarding of such funds (and increasing the amount of each award) to students—

"(i) who demonstrate exceptional need (as defined in section 413C(c)(2)); and

"(ii) who are employed in work-based learning opportunities through the work study program in accordance with the agreement.";

(2) in subsection (c)—

(A) by amending paragraph (2) to read as follows:

"(2) provide that—

"(A) in the case of an institution that has not received a waiver from the Secretary, such institution will not use more than 25 percent of the funds made available to such institution under this part for any fiscal year for the operation of the program described in paragraph (1); and

"(B) in the case of an institution that has received a waiver from the Secretary, such institution will not use more than 50 percent of the funds

made available to such institution under this part for any fiscal year for the operation of the program described in paragraph (1);".

(B) in paragraph (4)—

(i) by inserting "and complement and reinforce the educational goals or career goals of each student receiving assistance under this part" after "academically relevant"; and

(ii) by striking "and" at the end;

(C) in paragraph (5), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following:

"(6) provide assurances that compensation of students employed in the work-study program in accordance with the agreement shall include reimbursement for reasonable travel (not including the purchase of a vehicle) directly related to such work-study program.";

(3) in subsection (d)(1)—

(A) by striking "In any academic year to which subsection (b)(2)(A) applies, an institution shall ensure that" and inserting "An institution may use the"; and

(B) by striking "travel" and inserting "reasonable travel (not including the purchase of a vehicle)"; and

(4) by adding at the end the following:

"(f) QUALIFIED PERIOD OF NONENROLLMENT.—

"(1) IN GENERAL.—A student may be awarded work-study employment during a qualified period of nonenrollment if—

"(A) the student demonstrates exceptional need (as defined in section 413C(c)(2)) in the award year prior to the qualified period of nonenrollment;

"(B) the student is employed in a work-based learning position; and

"(C) the employment—

"(i) involves less than 25 percent administrative work; and

"(ii) is for at least 20 hours per week, unless the institution waives such requirement—

"(I) at the request of the student; or

"(II) based on a finding by the institution that such requirement presents a hardship in finding a work-based learning position for the student.

"(2) FUNDS EARNED.—

"(A) IN GENERAL.—Any funds earned by a student (beyond standard living expenses (as such term is described in section 413D(c)(3)(C))) during the qualified period of nonenrollment less than or equal to $2,500 may not be applied to such student's cost of attendance for the next period in which the student is enrolled.

"(B) EXCESS FUNDS.—Any funds earned by a student (beyond standard living expenses (as such term is described in section 413D(c)(3)(C))) during the qualified period of nonenrollment in excess of $2,500 shall be applied to such student's cost of attendance for the next period in which the student is enrolled.

"(3) DEFINITION OF QUALIFIED PERIOD OF NONENROLLMENT.—In this subsection, the term 'qualified period of nonenrollment' means, with respect to a student, a period of nonenrollment that—

"(A) occurs between a period of enrollment and a period of anticipated enrollment; and

"(B) the duration of which is no longer than 6 months.

"(g) COOPERATIVE EDUCATION.—

"(1) IN GENERAL.—A student may be awarded work-study employment for participation in cooperative education on—

"(A) a part-time basis; or

"(B) a full-time basis for a period equal to or less than 6 months.

"(2) PRIVATE AGREEMENTS FOR COOPERATIVE EDUCATION.—As part of its agreement described in subsection (b), an institution of higher education may, at its option, enter into an additional agreement with the Secretary which shall provide for the operation by the institution of a program of cooperative education of its students (on the basis described in subparagraph (A) or (B) of paragraph (1)) by a private for-profit organization under an agreement between the institution and such organization that complies with the requirements of subsection (c).

"(3) FULL-TIME BASIS PERIOD.—The period specified in paragraph (1)(B) may be non-consecutive and include participation during qualified periods of non-enrollment (as defined in subsection (f)(3)).

"(4) COOPERATIVE EDUCATION DEFINED.—In this subsection, the term 'cooperative education' means a program of alternating or parallel periods of academic study and work-based learning designed to give students work experiences related to their academic or career objectives.

"(h) NOTIFICATION REGARDING SNAP.—

"(1) IN GENERAL.—An institution receiving a grant under this part shall send a notification (by email or other electronic means) to each eligible student informing the student of their potential eligibility for participation in the SNAP and the process for obtaining more information, confirming eligibility, and accessing benefits under that program. The notification shall be developed by the Secretary of Education in consultation with the Secretary of Agriculture, and shall include details on eligibility requirements for participation in the SNAP that a student must satisfy. The notification shall be, to the extent practicable, specific to the student's State of residence and shall provide contact information for the local office where an application for the SNAP may be made.

"(2) EVIDENCE OF PARTICIPATION IN FEDERALLY FINANCED WORK-STUDY PROGRAM.—The notification under paragraph (1) shall include an official document confirming that the recipient is an eligible student sufficient for purposes of demonstrating that the exclusion from ineligibility for participation in the SNAP under section 6(e)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(e)(4)) applies to the student.

"(3) GUIDANCE.—The Secretary of Education, in consultation with the Secretary of Agriculture, shall provide guidance to States and institutions of higher education on how to identify and communicate with students who are likely to be eligible for the SNAP, including those eligible for a State or federally financed work-study program.

"(4) DEFINITIONS.—For purposes of this subsection:

"(A) The term 'eligible student' means a student receiving work-study assistance under this part.

"(B) The term 'SNAP' means the supplemental nutrition assistance program (as defined in section 3(t) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(t))).".

SEC. 4204. FLEXIBLE USE OF FUNDS.

Section 445 of the Higher Education Act of 1965 (20 U.S.C. 1087–55) is amended—

(1) in subsection (a), by adding at the end the following:

"(3) In addition to the carry-over sums authorized under paragraph (1) of this section, an institution may permit a student who completed the previous award period to continue to earn unearned portions of the student's work-study award from that previous period if—

"(A) any reduction in the student's need upon which the award was based is accounted for in the remaining portion; and

"(B) the student is currently employed in a work-based learning position."; and

(2) by striking "10 percent" both places it appears and inserting "20 percent".

SEC. 4205. JOB LOCATION AND DEVELOPMENT PROGRAMS.

Section 446 of the Higher Education Act of 1965 (20 U.S.C. 1087–56) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "10 percent or $75,000" and inserting "20 percent or $150,000"; and

(B) in paragraph (2), by striking "vocational" and inserting "career"; and

(2) in subsection (b)—

(A) by striking paragraphs (1) and (2); and

(B) by inserting before paragraph (3) the following:

"(1) provide satisfactory assurance that the institution will prioritize placing students with exceptional need (as defined in section 413C(c)(2)) and Federal work-study recipients in jobs located and developed under this section; and

"(2) provide satisfactory assurances that the funds available under this section will be used to locate and develop work-based learning positions;"; and

(C) in paragraph (6), by striking the period and inserting ", including—

"(A) the number of students employed in work-based learning positions through such program;

"(B) the number of students demonstrating exceptional need (as defined in section 413C(c)(2)) and Federal work-study recipients employed through such program; and

"(C) the number of students demonstrating exceptional need (as defined in section 413C(c)(2)) and Federal work-study recipients employed in work-based learning positions through such program.".

SEC. 4206. COMMUNITY SERVICE.

Section 447 of the Higher Education Act of 1965 (20 U.S.C. 1087–57) is amended to read as follows:

"SEC. 447. ADDITIONAL FUNDS TO CONDUCT COMMUNITY SERVICE WORK STUDY PROGRAMS.

"Each institution participating under this part may use up to 10 percent of the funds made available under section 489(a) and attributable to the amount of the institution's expenditures under this part to conduct that institution's program of community service-learning, including—

"(1) development of mechanisms to assure the academic quality of the student experience;

"(2) assuring student access to educational resources, expertise, and supervision necessary to achieve community service objectives;

"(3) assuring, to the maximum extent practicable, that the community service-learning program will support the educational goals or career goals of students participating in such program;

"(4) collaboration with public and private nonprofit agencies, and programs assisted under the National and Community Service Act of 1990 in the planning, development, and administration of such programs; and

"(5) to recruit and compensate students for community service-learning (including compensation for time spent in training and for reasonable travel (not including the purchase of a vehicle) directly related to such community service).".

SEC. 4207. AMENDMENTS TO WORK COLLEGES.

Section 448 of the Higher Education Act of 1965 (20 U.S.C. 1087–58) is amended—

(1) in subsection (a), by inserting "student" after "comprehensive";

(2) in subsection (b)(2)(D), by inserting "student" after "comprehensive";

(3) in subsection (c)—

(A) by striking "Each eligible institution" and inserting the following:

"(1) IN GENERAL.—Each eligible institution"; and

(B) by adding at the end the following:

"(2) APPLICATION DATES.—The Secretary shall require an eligible institution that submits an application for funding under this section for the first time to submit such application 5 months prior to the application due date for returning applicants."; and

(4) in subsection (e)—

(A) in paragraph (1)—

(i) by striking subparagraph (B) and inserting the following:

"(B) is accredited by an accrediting agency or association recognized by the Secretary pursuant to part H, has operated a work-study program under this part for at least the 2 years preceding the date of the determination, and has operated a comprehensive student work-learning-service program for at least the 2 years preceding the date of the determination;";

(ii) in subparagraph (C), by inserting "student" after "comprehensive"; and

(iii) in subparagraph (D), by inserting "student" after "comprehensive"; and

(B) in paragraph (2)—

(i) by redesignating subparagraphs (A) through (F) as subparagraphs (B) through (G), respectively; and

(ii) by inserting before subparagraph (B), as redesignated by clause (i), the following:

"(A) is a 4-year, degree-granting program;".

SEC. 4208. PILOT GRANT PROGRAM.

Part C of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087–51 et seq.), as amended by this part, is further amended by adding at the end the following:

"SEC. 449. WORK-BASED LEARNING OPPORTUNITIES PILOT GRANT PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall establish a program to provide grants to eligible institutions participating under this part to establish or expand a program to develop work-based learning positions.

"(2) LIMITATIONS.—

"(A) DURATION.—A grant awarded under this section shall be for a period of not more than 4 years, but may be renewed by the Secretary for a period of 2 years.

"(B) AMOUNT.—A grant under this section may not be in an amount greater than $1,000,000.

"(b) APPLICATION.—To be selected to receive a grant under this section an eligible institution participating under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including a plan that describes how the eligible institution will establish or expand a program to develop work-based learning positions that will—

"(1) benefit students who demonstrate exceptional need (as defined in section 413C(c)(2));

"(2) identify in-demand industry sectors and occupations (as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102) and as determined by the Bureau of Labor and Statistics, State departments of labor, and local boards (as defined in such section 3)) and develop partnerships with high-demand employers (including nonprofit organizations, joint labor-management organizations, for-profit firms, or public agencies);

"(3) involve participating employers in evaluating and improving such program;

"(4) track and report academic and employment outcomes for participating students; and

"(5) be able to continue after the end of the grant term.

"(c) USE OF FUNDS.—Grant funds awarded under this program shall be used to pay wages for students participating under this program and develop work-based learning positions that—

"(1) are for a period of at least 12 weeks;

"(2) serve students who demonstrate exceptional need (as defined in section 413C(c)(2));

"(3) limit administrative work to no more than 25 percent of such position;

"(4) provide a minimum of 15 hours of work per week during periods of enrollment and 30 hours per week during periods of nonenrollment, except such requirement may be waived by the institution in consultation with a student;

"(5) include career coaching from participating employers (including mock interviews, resume writing assistance, career exploration, and counseling on applying for and attaining employment); and

"(6) provide participating students with opportunities to meet with employers in fields or industries related to those of participating employers.

"(d) REPORT.—On a date that is before the date on which the period of the grant received by an eligible institution under this section terminates, such institution shall submit a report to the Secretary including—

"(1) the graduation rate or completion rate (as described under section 442(a)(1)(C)) with respect to students participating in work-based learning positions under the pilot program; and

"(2) the results of the work-based learning opportunities program for which such institution received such grant, including—

"(A) participating students' satisfaction with the program as reported in surveys under section 450, as added by section 4209 of the College Affordability Act;

"(B) the types of jobs in which participating students were employed and the types of duties performed in such jobs;

"(C) the academic programs of the participating students;

"(D) the share of participating students who worked at another job, in addition to the one under the pilot program;

"(E) the percentage of participating students who, during the second quarter after completing their academic program, are in education or training activities or unsubsidized employment;

"(F) the percentage of participating students employed in in-demand industry sectors or occupations as described in subsection (b)(2) within 2 quarters of completing their academic programs; and

"(G) other items as deemed relevant by the Secretary.

"(e) RESERVATION OF FUNDING FOR SUCH PROGRAM.—From the amount appropriated under section 441(b) for a fiscal year and remaining after the Secretary reserves funds under section 442(a)(1), the Secretary shall reserve $30,000,000 to carry out grants under this section.".

SEC. 4209. DEPARTMENT ACTIVITIES.

Part C of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087–51 et seq.), as amended by this part, is further amended by adding at the end the following:

"SEC. 450. DEPARTMENT ACTIVITIES.

"(a) SURVEYS.—Not later than 1 year after the date of the enactment of this section, the Secretary shall develop, in consultation with work-study administrators from institutions of higher education, participating employers, and participating students—

"(1) a consumer-tested electronic survey for students awarded work-study employment under the Federal work-study program under this part that—

"(A) measures each such student's satisfaction with the Federal work-study program, including—

"(i) any complaints the student has with respect to the program;

"(ii) the amount and quality of the on-the-job training the student received;

"(iii) the amount and quality of on-the-job supervision and employer feedback the student received;

"(iv) the amount and quality of information provided by the institution about the work-study program and job opportunities and the availability of work-study staff at the institution;

"(v) the quality of the assistance provided by the institution to the student in finding a work-study job and the availability of types of jobs; and

"(vi) the student's overall satisfaction with the work-study program;

"(B) measures the applicability of work-study employment to the educational goals and career goals of each such student;

"(C) elicits an assessment by each such student of the capacity to manage time between work-study employment and coursework;

"(D) measures, with respect to the program—

"(i) the award amounts under the program;

"(ii) the average number of hours students worked per week, and the wages received for such work;

"(iii) the number of on campus jobs and off campus jobs;

"(iv) how students located work-study positions;

"(v) the work performed at each job;

"(vi) whether students worked additional jobs while employed in a work-study job (and the reason for such additional job);

"(vii) whether the work-study employment had an impact on the student's academic performance; and

"(viii) the voluntarily disclosed demographics of students awarded work-study employment; and

"(E) includes such information as the Secretary may require; and

"(2) a consumer-tested electronic survey for employers of students described in paragraph (1) that—

"(A) measures each such employer's satisfaction with the Federal work-study program, including—

"(i) the extent to which the employer is satisfied with its ability to accommodate students' schedules;

"(ii) the extent to which student-employees are prepared for the duties advertised for the job; and

"(iii) the extent to which the employer is satisfied with opportunities to make recommendations for improving institutions' academic programs;

"(B) elicits an assessment by each such employer of—

"(i) any complaints the employer had with respect to the program;

"(ii) any skills or knowledge necessary for the job that student-employees are lacking; and

"(iii) the extent of outreach from institutions to the employer; and

"(C) includes such information as the Secretary may require; and

"(3) a consumer-tested electronic survey that, not less than once every 4 years, with respect to each institution of higher education participating in the Federal work-study program, measures—

"(A) methods used to recruit on-campus and off-campus employers;

"(B) if an institution operates a job location development program—

"(i) the share of jobs filled on-campus and off-campus;

"(ii) the share of jobs filled by—

"(I) work-study recipients; and

"(II) students who demonstrate exceptional need (as defined in section 413C(c)(2));

"(iii) the primary factors considered in matching work-study students and jobs;

"(iv) the share of students employed in work-based learning opportunities; and

"(v) the share of students employed during qualified periods of non-enrollment, including the share of students with exceptional need (as defined in section 413C(c)(2)) employed during qualified periods of non-enrollment;

"(C) the institution's Federal and non-Federal contributions toward work-study wages;

"(D) the primary factors considered in awarding students work-study and in determining the amount of the award;

"(E) the acceptance rate among students who were offered work-study aid; and

"(F) other information the Secretary may require.

"(b) RESULTS.—The Secretary shall develop an online portal—

"(1) for students, employers, and institutions of higher education to access the surveys required under subsection (a); and

"(2) to compile the results of such surveys.

"(c) REPORT.—Not less than once every 4 years after the date of the enactment of this subsection, the Secretary shall submit a report to Congress that includes—

"(1) the data collected under this section (redacted for personal information);

"(2) with respect to students employed in work-study through the Federal work-study program—

"(A) the types of jobs such students participated in;

"(B) the average hours worked per week;

"(C) the average award amount;

"(D) the average wage rates;

"(E) the extent to which students enter employment with skills and knowledge gained from work-study participation that have prepared them for the job; and

"(F) the students' satisfaction with the program and primary complaints;

"(3) the extent to which institutions conduct outreach to employers and engage them in discussions on improving academic programs;

"(4) the extent to which institutions conduct outreach to students and make jobs readily available;

"(5) the extent to which the work-study employment aligns with students' academic programs or career goals;

"(6) the employers' satisfaction with the program and primary complaints; and

"(7) recommendations for improving the program.

"(d) CONSULTATION.—

"(1) IN GENERAL.—In consulting with the entities described in subsection (a) to create the electronic surveys required under such subsection, the Secretary shall engage with—

"(A) a representative sample of institutions of higher education participating in the Federal work-study program;

"(B) a representative sample of employers participating in the Federal work-study program; and

"(C) a representative sample of students participating in the Federal work-study program.

"(2) RESPONSE RATE.—The Secretary shall—

"(A) consult with a survey consultant to develop a target response rate with respect to the electronic surveys required under subsection (a); and

"(B) provide guidance to institution with respect to such developed target response rate.

"(e) TECHNICAL ASSISTANCE.—The Secretary shall—

"(1) provide technical assistance to institutions participating under the Federal work-study program under this part to—

"(A) comply with the amendments made by part C of title IV of the College Affordability Act and the regulations issued pursuant to such part;

"(B) administer the surveys described in subsection (a) to students and employers participating in the Federal work-study program; and

"(C) ensure that Federal work-study positions align with students' educational goals or career goals to the maximum extent practicable; and

"(2) issue guidance and provide technical assistance to institutions to support improved partnerships and coordination among financial aid, career services, and academic advisors to administer the Federal work-study program.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $2,000,000 to carry out subsection (a).".

SEC. 4210. STUDY AND REPORT.

(a) STUDY.—The Comptroller General of the United States shall, not later than a reasonable amount of time after the date of the enactment of this Act, conduct a study on best practices for assisting students participating in the Federal work-study program under part C of title IV of the Higher Education Act (42 U.S.C. 1087–51 et seq.) with—

(1) connecting to off-campus employers;

(2) procuring work-based learning opportunities through such program;

(3) procuring employment that aligns with students' educational goals or career goals;

(4) locating employment through job location and development programs;

(5) procuring employment in in-demand industry sectors or occupations (as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102));;

(6) balancing employment with academic programs to improve graduation and completion rates; and

(7) with respect to students with exceptional need (as defined in section 413C(c)(2) of the Higher Education Act of 1965 (20 U.S.C. 1070b–2(c)(2)))—

(A) locating and coordinating work-study employment during qualified periods of nonenrollment;

(B) increasing participation of such students in such work-study program; and

(C) limiting the need for additional employment outside the work-study program.

(b) REPORT.—Not later than one year after the date on which the study required under subsection (a) is completed, the Comptroller General of the United States shall submit to Congress a report summarizing the findings of such study.

(c) PUBLISH REPORT.—The Comptroller General of the United States shall make the report required under subsection (b) available to the public on the website of the Government Accountability Office.

PART D—FEDERAL DIRECT LOAN PROGRAM

SEC. 4301. PROGRAM AUTHORITY.

Section 451(a) of the Higher Education Act of 1965 (20 U.S.C. 1087a(a)) is amended—

(1) by striking "and (2)" and inserting "(2)"; and

(2) by inserting "; and (3) to make loans under section 460A and section 460B" after "section 459A".

SEC. 4302. AMENDMENTS TO TERMS AND CONDITIONS OF LOANS AND REPAYMENT PLANS.

(a) SUBSIDIZED LOANS FOR GRADUATE AND PROFESSIONAL STUDENTS.—Section 455(a)(3) of the Higher Education Act of 1965 (20 U.S.C. 1087e(a)(3)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i), by striking "subparagraph (B)" and inserting "subparagraphs (B) and (C)"; and

(2) by adding at the end the following:

"(C) For any period of instruction at an institution of higher education (as defined in section 101) beginning on or after July 1, 2021, a graduate or professional student shall be eligible to receive a Federal Direct Stafford loan under this part.".

(b) INTEREST RATE ON SUBSIDIZED LOANS FOR GRADUATE AND PROFESSIONAL STUDENTS.—Section 455(b)(8)(B) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)(8)(B)) is amended by inserting "and Federal Direct Stafford Loans" after "Federal Direct Unsubsidized Stafford Loans".

(c) REPEAL OF ORIGINATION FEES.—Subsection (c) of section 455 of the Higher Education Act of 1965 (20 U.S.C. 1087e(c)) is repealed.

(d) RULEMAKING REGARDING TERMINATION OF CERTAIN REPAYMENT PLANS.—Beginning on the date of enactment of this Act, the Secretary of Education shall carry out a plan to end all eligibility for repayment plans other than a fixed repayment plan described in section 493E of the Higher Education Act of 1965, as added by section 4632, and an income-based repayment plan described under section 493C(f) of the Higher Education Act of 1965, as added by section 4631(c), for loans made under part B or D of title IV of the Higher Education Act of 1965, unless the borrower is enrolled in another repayment plan before such effective date, in accordance with the amendments made by this Act.

(e) NOTIFICATION TO BORROWERS.—

(1) IN GENERAL.—Beginning on the date of enactment of this Act, the Secretary of Education, in coordination with the Director of the Bureau of Con-

sumer Financial Protection, shall undertake a campaign to alert all borrowers of loans made, insured, or guaranteed under part B or D of title IV of the Higher Education Act of 1965 that they are eligible to change repayment plans and to enroll in one of the following repayment plans:

(A) A fixed repayment plan described in section 493E of the Higher Education Act of 1965, as added by section 4632.

(B) The income-based repayment plan under section 493C(f) of the Higher Education Act of 1965, as added by section 4631(c).

(2) CAMPAIGN ACTIVITIES.—The campaign shall include the following activities:

(A) Developing consumer information materials about the opportunity to change repayment plans and to enroll in one of the following repayment plans:

(i) A fixed repayment plan described in such section 493E.

(ii) The income-based repayment plan under such section 493C(f).

(B) Requiring servicers of loans made, insured, or guaranteed under parts B and D of title IV of the Higher Education Act of 1965 to provide such consumer information to borrowers in a manner determined appropriate by the Secretary.

(f) REPAYMENT PLANS.—Section 455(d) of the Higher Education Act of 1965 (20 U.S.C. 1087e(d)) is amended—

(1) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6), respectively;

(2) by inserting after paragraph (1), the following:

"(2) DESIGN AND SELECTION ON AND AFTER JULY 1, 2021.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), for the borrower of a loan made on or after July 1, 2021, and for other borrowers subject to paragraph (7), the Secretary shall offer a borrower of a loan made under this part 2 plans for repayment of such loan, including principal and interest on the loan. The borrower shall be entitled to accelerate, without penalty, repayment on the borrower's loans under this part. The borrower may choose—

"(i) a fixed repayment plan described in section 493E; or

"(ii) the income-based repayment plan under section 493C(f).

"(B) SELECTION BY THE SECRETARY.—If a borrower of a loan made under this part on or after July 1, 2021, does not select a repayment plan described in subparagraph (A), the Secretary may provide the borrower with a fixed repayment plan described in section 493E.

"(C) CHANGES IN SELECTIONS.—Beginning on July 1, 2021, a borrower of a loan made under this part may change the borrower's selection of a repayment plan in accordance with paragraph (7) and under such terms and conditions as may be established by the Secretary.";

(3) in paragraph (6)(B), as redesignated, by striking "an income contingent repayment plan." and inserting "the income-based repayment plan under section 493C(f).''; and

(4) by adding at the end the following:

"(7) BORROWERS OF LOANS MADE BEFORE JULY 1, 2021.—A borrower who is in repayment on a loan made under part B or part D before July 1, 2021—

"(A) may choose to retain the repayment plan that the borrower was enrolled in on the day before such date;

"(B) may elect to—

"(i) enter the income-based repayment plan under section 493C(f); or

"(ii) enter a fixed repayment plan described in section 493E; and

"(C) after electing to leave a repayment plan other than an income-based repayment plan described under section 493C(f) or a fixed repayment plan described in section 493E, shall not be permitted to re-elect a repayment plan that is not an income-based repayment plan under section 493C(f) or a fixed repayment plan described in section 493E.

"(8) NOTIFICATION AND AUTOMATIC ENROLLMENT PROCEDURES FOR BORROWERS WHO ARE DELINQUENT ON LOANS.—

"(A) AUTHORITY TO OBTAIN INCOME INFORMATION.—In the case of any borrower who is at least 60 days delinquent on a covered loan, the Secretary may obtain such information as is reasonably necessary regarding the income and family size of the borrower (and the borrower's spouse, if applicable).

"(B) BORROWER NOTIFICATION.—With respect to each borrower of a covered loan who is at least 60 days delinquent on such loan and who has not been subject to the procedures under this paragraph for such loan in the

preceding 120 days, the Secretary shall, as soon as practicable after such 60-day delinquency, provide to the borrower the following:

"(i) Notification that the borrower is at least 60 days delinquent on at least 1 covered loan, and a description of all delinquent covered loans, nondelinquent covered loans, and noncovered loans of the borrower.

"(ii) A brief description of the repayment plans for which the borrower is eligible and the covered loans and noncovered loans of the borrower that may be eligible for such plans, based on information available to the Secretary.

"(iii) The amount of monthly payments for the covered and noncovered loans under the income-based repayment plan under section 493C(f) and the fixed repayment plan described in section 493E, based on information available to the Secretary, including, if the income information of the borrower is available to the Secretary under subparagraph (A)—

"(I) the amount of the monthly payment under the income-based repayment plan under section 493C(f) and the fixed repayment plan described in section 493E for which the borrower is eligible for the borrower's covered and noncovered loans, based on such income information; and

"(II) the income, family size, tax filing status, and tax year information on which each monthly payment is based.

"(iv) Clear and simple instructions on how to select the repayment plans.

"(v) An explanation that, in the case of a borrower for whom adjusted gross income is unavailable—

"(I) if the borrower selects to repay the covered loans of such borrower pursuant to the income-based repayment plan under section 493C(f) that defines discretionary income in such a manner that an individual not required under section 6012(a)(1) of the Internal Revenue Code of 1986 to file a return with respect to income taxes imposed by subtitle A of such Code may have a calculated monthly payment greater than $0, the borrower will be required to provide the Secretary with other documentation of income satisfactory to the Secretary, which documentation the Secretary may use to determine an appropriate repayment schedule; and

"(II) if the borrower selects to repay such loans pursuant to an income-driven repayment plan that is not described in subclause (I), the borrower will not be required to provide the Secretary with such other documentation of income, and the borrower will have a calculated monthly payment of $0.

"(vi) An explanation that the Secretary shall take the actions under subparagraph (C) with respect to such borrower, if—

"(I) the borrower is 120 days delinquent on 1 or more covered loans and has not selected a new repayment plan for the covered loans of the borrower; and

"(II) in the case of such a borrower whose repayment plan for the covered loans of the borrower is not an income-driven repayment plan described in subparagraph (D) or (E) of paragraph (1), the monthly payments under such repayment plan are higher than such monthly payments would be under the income-based repayment plan under section 493C(f).

"(vii) Instructions on updating the information of the borrower obtained under subparagraph (A).

"(C) SECRETARY'S INITIAL SELECTION OF A PLAN.—With respect to each borrower described in subparagraph (B) who has a repayment plan for the covered loans of the borrower that meets the requirements of clause (vi)(II) of subparagraph (B) and has not selected a new repayment plan for such loans in accordance with the notice received under such subparagraph, and who is at least 120 days delinquent on such a loan, the Secretary shall, as soon as practicable—

"(i) provide the borrower with the income-based repayment plan under section 493C(f); and

"(ii) authorize the borrower to change the Secretary's selection of a plan under this clause to the fixed repayment plan described in section 493E.

"(D) OPT-OUT.—A borrower of a covered loan shall have the right to opt out of the procedures under this paragraph.

"(E) PROCEDURES.—The Secretary shall establish procedures as are necessary to effectively implement this paragraph.

"(9) NOTIFICATION AND AUTOMATIC ENROLLMENT PROCEDURES FOR BORROWERS WHO ARE REHABILITATING DEFAULTED LOANS.—

"(A) AUTHORITY TO OBTAIN INCOME INFORMATION.—In the case of any borrower who is rehabilitating a covered loan pursuant to section 428F(a), the Secretary may obtain such information as is reasonably necessary regarding the income and family size of the borrower (and the borrower's spouse, if applicable).

"(B) BORROWER NOTIFICATION.—Not later than 30 days after a borrower makes the 6th payment required for the loan rehabilitation described in subparagraph (A), the Secretary shall notify the borrower of the process under subparagraph (C) with respect to such loan.

"(C) SECRETARY'S SELECTION OF PLAN.—With respect to each borrower who has made the 9th payment required for the loan rehabilitation described in subparagraph (A), the Secretary shall, as soon as practicable after such payment, provide the borrower with the income-based repayment plan under section 493C(f), without regard to whether the loan has been so rehabilitated.

"(D) OPT-OUT.—A borrower of a covered loan shall have the right to opt out of the procedures under this paragraph.

"(E) PROCEDURES.—The Secretary shall establish procedures as are necessary to effectively implement this paragraph.

"(10) DEFINITIONS.—In this subsection:

"(A) COVERED LOAN.—The term 'covered loan' means—

"(i) a loan made under this part;

"(ii) a loan purchased under section 459A; or

"(iii) a loan that has been assigned to the Secretary under section 428(c)(8) or part E.

"(B) NONCOVERED LOAN.—The term 'noncovered loan' means a loan made, insured, or guaranteed under this title that is not a covered loan.

"(11) APPLICATION OF PREPAYMENT AMOUNTS.—

"(A) REQUIREMENT.—Notwithstanding any other provision of this subsection or any other provision of law—

"(i) with respect to loans made to an eligible borrower under this part or part B, which are held by the same holder and which have different applicable rates of interest, the holder of such loans shall, unless otherwise requested by the borrower in writing, apply the borrower's prepayment amount (within the meaning of section 682.209(b) of title 34, Code of Federal Regulations, or a successor regulation) for one or more of such loans, first toward the outstanding balance of principal due on the loan with the highest applicable rate of interest among such loans; and

"(ii) except as provided in clause (i), with respect to loans made to an eligible borrower under this part or part B, which are held by the same holder and which have the same applicable rates of interest, the holder of such loans shall, unless otherwise requested by the borrower in writing, apply the borrower's prepayment amount (within the meaning of section 682.209(b) of title 34, Code of Federal Regulations, or a successor regulation) for one or more of such loans, first toward the outstanding balance of principal due on the loan with the highest principal balance among such loans.

"(B) ELIGIBLE BORROWER.—

"(i) IN GENERAL.—For purposes of this paragraph, the term 'eligible borrower' means a borrower with no outstanding balance of fees, including collection costs and authorized late charges, due on any loan made under this part or part B.

"(ii) PREPAYMENT AMOUNTS.—A prepayment amount (as described in subparagraph (A)) made by a borrower who is not an eligible borrower to a holder shall be applied first toward the borrower's outstanding balance of fees, including collection costs and authorized late charges, due on any loan made under this part or part B held by such holder.".

(g) APPLICATION.—The amendments made by subsection (c)(4) shall—

(1) take effect as soon as the Secretary of Education determines practicable after the Secretary finalizes the procedures under section 9004, but not later than 2 years after the date of enactment of this Act; and

(2) apply to all borrowers of covered loans (as defined in section 455(d)(10) of the Higher Education Act of 1965, as added by subsection (c)(4)).

(h) MAXIMUM REPAYMENT PERIOD FOR INCOME-CONTINGENT REPAYMENT.—Section 455(e) of the Higher Education Act of 1965 (20 U.S.C. 1087e(e)) is further amended—

(1) in paragraph (7)(B)—

(A) by striking "or" at the end of clause (iv);

(B) by striking the period at the end of clause (v) and inserting a semicolon; and

(C) by adding at the end the following:

"(vi) makes payments under the income-based repayment plan under section 493C(f); or

"(vii) makes payments under the fixed repayment plan described in section 493E."; and

"(8) ADDITIONAL QUALIFYING REPAYMENT PLANS.—A borrower repaying a loan pursuant to income-contingent repayment under this subsection may elect at any time to terminate repayment under such repayment plan and repay such loan under the income-based repayment plan under section 493C(f) or the fixed repayment plan described in section 493E.".

(i) AUTOMATIC RECERTIFICATION OF INCOME FOR INCOME-DRIVEN REPAYMENT PLANS.—Section 455(e) of the Higher Education Act of 1965 (20 U.S.C. 1087e(e)) is amended—

(1) in paragraph (3)—

(A) by striking "does not reasonably reflect the borrower's current income" and inserting "whose income has decreased relative to the adjusted gross income available to the Secretary"; and

(B) by inserting ", consistent with the procedures established under paragraph (9)(B)(iv)" before the period at the end; and

(2) by adding at the end the following:

"(9) AUTOMATIC RECERTIFICATION.—

"(A) DEFINITION.—In this paragraph, the term 'covered loan' has the meaning given the term in subsection (d)(10).

"(B) IN GENERAL.—Beginning as soon as the Secretary determines practicable after the Secretary finalizes the procedures under section 9004 of the College Affordability Act, but not later than 2 years after the date of enactment of such Act, the Secretary shall establish and implement, with respect to any borrower described in subparagraph (C), procedures to—

"(i) obtain (for each year of repayment and without further action by the borrower) such information as is reasonably necessary regarding the income of such borrower (and the borrower's spouse, if applicable), for the purpose of determining the repayment obligation of the borrower for such year, including information with respect to the borrower's family size in accordance with the procedures under section 9004 of the College Affordability Act, subject to clause (ii);

"(ii) allow the borrower, at any time, to opt out of clause (i) and prevent the Secretary from obtaining information under such clause without further action by the borrower;

"(iii) provide the borrower with an opportunity to update the information obtained under clause (i) before the determination of the annual repayment obligation of the borrower; and

"(iv) in the case of a borrower for whom adjusted gross income is unavailable—

"(I) if the borrower has selected to repay the covered loans of such borrower pursuant to an income contingent repayment plan that defines discretionary income in such a manner that an individual not required under section 6012(a)(1) of the Internal Revenue Code of 1986 to file a return with respect to income taxes imposed by subtitle A of such Code may have a calculated monthly payment greater than $0, the borrower will be required to provide the Secretary with other documentation of income satisfactory to the Secretary, which documentation the Secretary may use to determine an appropriate repayment schedule; or

"(II) if the borrower has selected to repay such loans pursuant to an income contingent repayment that is not described in subclause (I), the borrower will not be required to provide the Secretary with such other documentation of income, and the borrower will have a calculated monthly payment of $0.

"(C) APPLICABILITY.—Subparagraph (B) shall apply to each borrower of a covered loan who, on or after the date on which the Secretary establishes procedures under such subparagraph, recertifies income and family size under such plan.

"(D) OTHER REQUIREMENTS.—The procedures established by the Secretary under this paragraph shall be consistent with the requirements of paragraphs (1) through (7), except as otherwise provided in this paragraph.".

(j) DEFERMENT AND FORBEARANCE.—Section 455(f) of the Higher Education Act of 1965 (20 U.S.C. 1087e(f)) is amended—

(1) in the subsection heading, by inserting at the end the following: "AND FORBEARANCE"; and

(2) by amending subparagraph (B) of paragraph (1) to read as follows:

"(B) in the case of a Federal Direct PLUS Loan, a Federal Direct Unsubsidized Stafford Loan, or a Federal Direct Consolidation Loan not described in subparagraph (A)(ii), beginning on or after the date of enactment of the College Affordability Act—

"(i) for a deferment during a period described in paragraph (2)(A)(i), shall accrue and be capitalized or paid by the borrower; and

"(ii) for a deferment during a period described in subparagraphs (B) through (D) of paragraph (2), shall accrue but not be capitalized."; and

(3) by adding at the end the following:

"(6) FORBEARANCE.—At the expiration of a period of forbearance that begins on or after the date of enactment of the College Affordability Act, interest may accrue but shall not be capitalized on any loans made under this part.".

(k) SEPARATING JOINT CONSOLIDATION LOANS.—Section 455(g) of the Higher Education Act of 1965 (20 U.S.C. 1087e(g)) is amended—

(1) by striking "A borrower" and inserting the following:

"(1) IN GENERAL.—A borrower"; and

(2) by adding at the end the following:

"(2) SEPARATING JOINT CONSOLIDATION LOANS.—

"(A) IN GENERAL.—A married couple, or 2 individuals who were previously a married couple, and who received a joint consolidation loan as such married couple under subparagraph (C) of section 428C(a)(3) (as such subparagraph was in effect on or before June 30, 2006), may apply to the Secretary for each individual borrower in the married couple (or previously married couple) to receive a separate Federal Direct Consolidation Loan under this part—

"(i) that shall—

"(I) unless the Secretary receives notice of an agreement described in subclause (II)(aa), be equal to the sum of—

"(aa) the unpaid principal and accrued unpaid interest of the percentage of the joint consolidation loan that, as of the day before such joint consolidation loan was made, was attributable to the loans of the individual borrower for whom such separate consolidation loan is being made; and

"(bb) any other loans described in section 428C(a)(4) that such individual borrower selects for consolidation under this part; or

"(II) be equal to the sum of—

"(aa) the unpaid principal and accrued unpaid interest of the percentage of the joint consolidation loan that, as of the date of application under this paragraph, the married couple (or previously married couple) agrees shall be considered attributable to the loans of the individual borrower for whom such separate consolidation loan is being made; and

"(bb) any other loans described in section 428C(a)(4) that such individual borrower selects for consolidation under this part;

"(ii) the proceeds of which shall be paid by the Secretary to the holder or holders—

"(I) of the joint consolidation loan for the purpose of discharging the liability on the percentage of such joint consolidation loan described in subclause (I)(aa) or (II)(aa) of clause (i); and

"(II) of the loans selected for consolidation under subclause (I)(bb) or subclause (II)(bb) of clause (i) for the purpose of discharging the liability on such loans;

"(iii) except as otherwise provided in this paragraph, that has the same terms and conditions, and rate of interest as the joint consolidation loan;

"(iv) for which any payment made under section 455(m)(1)(A) on the joint consolidation loan during a period in which the individual borrower for whom such separate consolidation loan is being made was employed in a public service job described in section 455(m)(1)(B) shall

be treated as if such payment were made on the portion of the separate consolidation loan described in clause (i)(I)(aa); and

"(v) for which any payment made under any repayment plan described in section 455(d)(1) on the joint consolidation loan shall be treated as if such payment were made on such portion of such separate consolidation loan.

"(B) APPLICATION FOR SEPARATE DIRECT CONSOLIDATION LOAN.—

"(i) JOINT APPLICATION.—Except as provided in clause (ii), to receive separate consolidation loans under subparagraph (A), both individual borrowers in a married couple (or previously married couple) shall jointly apply under subparagraph (A).

"(ii) SEPARATE APPLICATION.—An individual borrower in a married couple (or previously married couple) may apply for a separate consolidation loan under subparagraph (A) separately and without regard to whether or when the other individual borrower in the married couple (or previously married couple) applies under subparagraph (A), in a case in which—

"(I) the individual borrower has experienced from the other individual borrower—

"(aa) domestic violence (as defined in section 40002(a) of the Violence Against Women Act of 1994 (34 U.S.C. 12291(a))); or

"(bb) economic abuse (including behaviors that control such borrower's ability to acquire, use, and maintain access to money, credit, or the joint financial obligations of both borrowers);

"(II) the individual borrower certifies, on a form approved by the Secretary, that such borrower is unable to reasonably reach or access the loan information of the other individual borrower; or

"(III) the Secretary determines that authorizing each individual borrower to apply separately under subparagraph (A) would be in the best fiscal interests of the Federal Government.

"(C) BORROWER ELIGIBILITY.—Notwithstanding section 428C(a)(3)(A), the Secretary shall award a consolidation loan under this part to each borrower who—

"(i) applies for such loan under subparagraph (A); and

"(ii) meets the requirements of subparagraphs (A) and (B).

"(3) CONSUMER REPORTING AGENCIES.—Upon obtaining a Federal Direct Consolidation Loan that discharges the liability on a defaulted loan made, insured, or guaranteed under this title, the Secretary, guaranty agency, or other holder of the loan shall request any consumer reporting agency to which the Secretary, guaranty agency or holder, as applicable, reported the default of the loan, to remove any adverse item of information relating to a delinquent or defaulted loan made, insured, or guaranteed under this title from the borrower's credit history.".

(l) REPEAL OF SUBSIDIZED LOAN USAGE LIMITATION.—Subsection (q) of section 455 of the Higher Education Act of 1965 (20 U.S.C. 1087e) is repealed.

SEC. 4303. AMENDMENTS TO TERMS AND CONDITIONS OF PUBLIC SERVICE LOAN FORGIVENESS.

Section 455(m) of the Higher Education Act of 1965 (20 U.S.C. 1087e(m)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking "or" at the end of clause (iii);

(ii) in clause (iv), by striking "and"; and

(iii) by adding at the end the following:

"(v) payments under the income-based repayment plan under section 493C(f); or

"(vi) payments under the fixed repayment plan described in section 493E; and"; and

(B) in subparagraph (B), by striking "(i) is employed" and all that follows through "has been" and inserting "has been";

(2) in paragraph (2), by adding at the end the following: "In the case of a borrower who meets the requirements under paragraph (1) for such cancellation, such cancellation shall occur without further action by the borrower.";

(3) by redesignating paragraphs (3) and (4) as paragraphs (6) and (7), respectively; and

(4) by inserting after paragraph (2) the following:

"(3) TREATMENT OF LOANS REFINANCED UNDER SECTIONS 460A.—In the case of an eligible Federal Direct Loan refinanced under section 460A, any monthly

payment pursuant to any repayment plan listed in paragraph (1)(A) made on a loan, for which the liability has been discharged by such refinanced loan and without regard to whether such loan is an eligible Federal Direct Loan, shall be treated as a monthly payment under paragraph (1)(A) on the portion of such refinanced loan that is attributable to such discharged loan.

"(4) ON-LINE PORTAL.—

"(A) BORROWERS.—The Secretary shall ensure that borrowers have access to an on-line portal that provides each borrower who signs on to such portal with the following:

"(i) Instructions on how to access the database under paragraph (5) so that the borrower can determine whether the borrower is employed in a public service job.

"(ii) An identification of the loans of the borrower that are eligible Federal Direct Loans.

"(iii) With respect to each such eligible Federal Direct Loan, the number of monthly payments on such loan that qualify as a monthly payment under paragraph (1)(A), and the estimated number of monthly payments under paragraph (1)(A) remaining on such loan before the borrower may be eligible for loan cancellation under this subsection.

"(iv) With respect to each loan of the borrower that is not eligible for loan cancellation under this subsection, an explanation of why the loan is not so eligible and instructions on how what, if anything, the borrower may do to make the loan so eligible.

"(v) Instructions for the submission of any forms associated with such loan cancellation, and an ability for the borrower to use the portal to electronically sign and submit such forms.

"(vi) In the case of a borrower who disputes a determination of the Secretary relating to the entitlement of the borrower to loan cancellation under paragraph (2)—

"(I) an ability for the borrower to file a claim with the Secretary to dispute such determination through the portal; and

"(II) in the case of such a claim that has been filed, the status of such claim, for which updates shall be provided not fewer than once every 90 days.

"(B) EMPLOYERS.—The Secretary shall ensure that an employer of a borrower has the ability to electronically sign and submit any forms associated with loan cancellation under this subsection.

"(C) INFORMATION.—The Secretary shall ensure that any information provided through the on-line portal described in this paragraph is up-to-date information.

"(5) DATABASE OF PUBLIC SERVICE JOBS.—

"(A) IN GENERAL.—The Secretary, in consultation with the Commissioner of the Internal Revenue Service, shall establish and regularly update a database that lists public service jobs.

"(B) PUBLIC AVAILABILITY.—The database established under subparagraph (A) shall be made available on a publicly accessible website of the Department in an easily searchable format.";

(5) in paragraph (6), as so redesignated—

(A) in subparagraph (A)—

(i) by inserting before the period at the end the following: "(including any Federal Direct Stafford Loan, Federal Direct PLUS Loan, Federal Direct Unsubsidized Stafford Loan, or Federal Direct Consolidation Loan refinanced under section 460A)";

(ii) by striking "The term" and inserting the following:

"(i) IN GENERAL.—The term"; and

(iii) by adding at the end the following:

"(ii) TREATMENT OF CERTAIN CONSOLIDATION LOAN PAYMENTS.—In the case of an eligible Federal Direct Loan that is a Federal Direct Consolidation Loan made on or after the date of enactment of the College Affordability Act, any monthly payment pursuant to any repayment plan listed in paragraph (1)(A) made on a loan, for which the liability has been discharged by the proceeds of such Federal Direct Consolidation Loan and without regard to whether the loan is an eligible Federal Direct Loan, shall be treated as a monthly payment under paragraph (1)(A) on the portion of such Federal Direct Consolidation Loan that is attributable to such discharged loan, except that in the case of a subsequent consolidation loan, for purposes of this clause—

"(I) any monthly payment made on the first consolidation loan or any other loan for which the liability has been discharged by such subsequent consolidation loan shall be applicable; and

"(II) any monthly payment made on a loan for which the liability has been discharged by such first consolidation loan shall not be applicable.";

(B) in subparagraph (B)—

(i) in clause (i), by striking "or" at the end;

(ii) in clause (ii)—

(I) by striking "teaching as" and inserting the following: "teaching—

"(I) as";

(II) by striking ", foreign language faculty, and part-time faculty at community colleges), as determined by the Secretary." and inserting "and foreign language faculty), as determined by the Secretary; or";

(III) by adding at the end the following:

"(II) as a part-time faculty member or instructor who—

"(aa) teaches not less than 2 courses at an institution of higher education (as defined in section 101(a)), a postsecondary vocational institution (as defined in section 102(c)), or a Tribal College or University (as defined in section 316(b));

"(bb) is not a student enrolled at such institution; and

"(cc) is not employed on a full-time basis by any other employer;"; and

(iii) by adding at the end the following:

"(iii) a full-time job as an employee or manager of a farm or ranch that, with respect to a fiscal year, has earnings of gross revenue during such year from the sale of agricultural products equal to or greater than—

"(I) in the case of 2019, $35,000; or

"(II) in the case of any succeeding year, the amount applicable under this subparagraph for the previous year, increased by the estimated percentage change in the Consumer Price Index for the most recent year preceding such year; or

"(iv) a full-time job with a veterans or military service organization as described in paragraph (19) or (23) of section 501(c) of the Internal Revenue Code, that does not engage in partisan political campaign activity."; and

(C) by adding at the end the following:

"(C) FULL-TIME JOB AS HEALTH CARE PRACTITIONER.—The term 'full-time professionals engaged in health care practitioner occupations' includes an individual who—

"(i) has a full-time job as a health care practitioner;

"(ii) provides medical services in such full-time job at a nonprofit or public hospital or other nonprofit or public health care facility; and

"(iii) is prohibited from being employed directly by such hospital or other health care facility by State law."; and

(6) in paragraph (10), as so redesignated, by striking "section 428J, 428K, 428L, or 460" and inserting "section 428K or 428L".

SEC. 4304. FEDERAL DIRECT PERKINS LOANS TERMS AND CONDITIONS.

Part D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq.) is amended by inserting after section 455 the following new section:

"SEC. 455A. FEDERAL DIRECT PERKINS LOANS.

"(a) DESIGNATION OF LOANS.—Loans made to borrowers under this section shall be known as 'Federal Direct Perkins Loans'.

"(b) IN GENERAL.—It is the purpose of this section to authorize loans to be awarded by institutions of higher education through agreements established under section 463(f). Unless otherwise specified in this section, all terms and conditions and other requirements applicable to Federal Direct Unsubsidized Stafford loans established under section 455(a)(2)(D) shall apply to loans made pursuant to this section.

"(c) ELIGIBLE BORROWERS.—Any student meeting the requirements for student eligibility under section 464(b) (including graduate and professional students as defined in regulations promulgated by the Secretary) shall be eligible to borrow a Federal Direct Perkins Loan, provided the student attends an eligible institution with an agreement with the Secretary under section 463(f), and the institution uses its authority under that agreement to award the student a loan.

"(d) LOAN LIMITS.—The annual and aggregate limits for loans under this section shall be the same as those established under section 464, and aggregate limits shall include loans made by institutions under agreements under section 463(a).

"(e) APPLICABLE RATES OF INTEREST.—Loans made pursuant to this section shall bear interest, on the unpaid principal balance of the loan, at the rate of 5 percent per year.".

SEC. 4305. COMMON MANUAL FOR LOAN SERVICERS.

Section 456(a)(2) of the Higher Education Act of 1965 (20 U.S.C. 1087f(a)(2)) is amended in the first sentence by inserting before the period at the end the following: ", including the applicable procedures and policies described in the manual developed under section 493F".

SEC. 4306. REFINANCING FFEL AND FEDERAL DIRECT LOANS.

Part D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq.) is amended by adding at the end the following:

"SEC. 460A. REFINANCING FFEL AND FEDERAL DIRECT LOANS.

"(a) IN GENERAL.—The Secretary shall establish a program under which the Secretary, upon the receipt of an application from a qualified borrower, makes a loan under this part, in accordance with the provisions of this section, in order to permit the borrower to obtain the interest rate provided under subsection (c).

"(b) REFINANCING DIRECT LOANS.—

"(1) FEDERAL DIRECT LOANS.—Upon application of a qualified borrower, the Secretary shall repay a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, a Federal Direct PLUS Loan, or a Federal Direct Consolidation Loan of the qualified borrower, for which the first disbursement was made, or the application for the consolidation loan was received, before July 1, 2020, with the proceeds of a refinanced Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, a Federal Direct PLUS Loan, or a Federal Direct Consolidation Loan, respectively, issued to the borrower in an amount equal to the sum of the unpaid principal, accrued unpaid interest, and late charges of the original loan.

"(2) REFINANCING FFEL PROGRAM LOANS AS REFINANCED FEDERAL DIRECT LOANS.—Upon application of a qualified borrower for any loan that was made, insured, or guaranteed under part B and for which the first disbursement was made, or the application for the consolidation loan was received, before July 1, 2010, the Secretary shall make a loan under this part, in an amount equal to the sum of the unpaid principal, accrued unpaid interest, and late charges of the original loan to the borrower in accordance with the following:

"(A) The Secretary shall pay the proceeds of such loan to the eligible lender of the loan made, insured, or guaranteed under part B, in order to discharge the borrower from any remaining obligation to the lender with respect to the original loan.

"(B) A loan made under this section that was originally—

"(i) a loan originally made, insured, or guaranteed under section 428 shall be a Federal Direct Stafford Loan;

"(ii) a loan originally made, insured, or guaranteed under section 428B shall be a Federal Direct PLUS Loan;

"(iii) a loan originally made, insured, or guaranteed under section 428H shall be a Federal Direct Unsubsidized Stafford Loan; and

"(iv) a loan originally made, insured, or guaranteed under section 428C shall be a Federal Direct Consolidation Loan.

"(C) The interest rate for each loan made by the Secretary under this paragraph shall be the rate provided under subsection (c).

"(c) INTEREST RATES.—

"(1) IN GENERAL.—The interest rate for the refinanced Federal Direct Stafford Loans, Federal Direct Unsubsidized Stafford Loans, Federal Direct PLUS Loans, and Federal Direct Consolidation Loans, shall be a rate equal to—

"(A) in any case where the original loan was a loan under section 428 or 428H, a Federal Direct Stafford loan, or a Federal Direct Unsubsidized Stafford Loan, that was issued to an undergraduate student, a rate equal to the rate for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans issued to undergraduate students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020;

"(B) in any case where the original loan was a loan under section 428 or 428H, a Federal Direct Stafford Loan, or a Federal Direct Unsubsidized Stafford Loan, that was issued to a graduate or professional student, a rate equal to the rate for Federal Direct Unsubsidized Stafford Loans issued to

graduate or professional students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020;

"(C) in any case where the original loan was a loan under section 428B or a Federal Direct PLUS Loan, a rate equal to the rate for Federal Direct PLUS Loans for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020; and

"(D) in any case where the original loan was a loan under section 428C or a Federal Direct Consolidation Loan, a rate calculated in accordance with paragraph (2).

"(2) INTEREST RATES FOR CONSOLIDATION LOANS.—

"(A) METHOD OF CALCULATION.—In order to determine the interest rate for any refinanced Federal Direct Consolidation Loan under paragraph (1)(D), the Secretary shall—

"(i) determine each of the component loans that were originally consolidated in the loan under section 428C or the Federal Direct Consolidation Loan, and calculate the proportion of the unpaid principal balance of the loan under section 428C or the Federal Direct Consolidation Loan that each component loan represents;

"(ii) use the proportions determined in accordance with clause (i) and the interest rate applicable for each component loan, as determined under subparagraph (B), to calculate the weighted average of the interest rates on the loans consolidated into the loan under section 428C or the Federal Direct Consolidation Loan; and

"(iii) apply the weighted average calculated under clause (ii) as the interest rate for the refinanced Federal Direct Consolidation Loan.

"(B) INTEREST RATES FOR COMPONENT LOANS.—The interest rates for the component loans of a loan made under section 428C or a Federal Direct Consolidation Loan shall be the following:

"(i) The interest rate for any loan under section 428 or 428H, Federal Direct Stafford Loan, or Federal Direct Unsubsidized Stafford Loan issued to an undergraduate student shall be a rate equal to the lesser of—

"(I) the rate for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans issued to undergraduate students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020; or

"(II) the original interest rate of the component loan.

"(ii) The interest rate for any loan under section 428 or 428H, Federal Direct Stafford Loan, or Federal Direct Unsubsidized Stafford Loan issued to a graduate or professional student shall be a rate equal to the lesser of—

"(I) the rate for Federal Direct Unsubsidized Stafford Loans issued to graduate or professional students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020; or

"(II) the original interest rate of the component loan.

"(iii) The interest rate for any loan under section 428B or Federal Direct PLUS Loan shall be a rate equal to the lesser of—

"(I) the rate for Federal Direct PLUS Loans for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020; or

"(II) the original interest rate of the component loan.

"(iv) The interest rate for any component loan that is a loan under section 428C or a Federal Direct Consolidation Loan shall be the weighted average of the interest rates that would apply under this subparagraph for each loan comprising the component consolidation loan.

"(v) The interest rate for any eligible loan that is a component of a loan made under section 428C or a Federal Direct Consolidation Loan and is not described in clauses (i) through (iv) shall be the interest rate on the original component loan.

"(3) FIXED RATE.—The applicable rate of interest determined under paragraph (1) for a refinanced loan under this section shall be fixed for the period of the loan.

"(d) TERMS AND CONDITIONS OF LOANS.—

"(1) IN GENERAL.—A loan that is refinanced under this section shall have the same terms and conditions as the original loan, except as otherwise provided in this section.

"(2) NO AUTOMATIC EXTENSION OF REPAYMENT PERIOD.—Refinancing a loan under this section shall not result in the extension of the duration of the repayment period of the loan, and the borrower shall retain the same repayment term that was in effect on the original loan. Nothing in this paragraph shall

be construed to prevent a borrower from electing a different repayment plan at any time in accordance with section 455(d)(4).

"(e) DEFINITION OF QUALIFIED BORROWER.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualified borrower' means a borrower—

"(A) of a loan under this part or part B for which the first disbursement was made, or the application for a consolidation loan was received, before July 1, 2020; and

"(B) who meets the eligibility requirements based on income or debt-to-income ratio established by the Secretary.

"(2) INCOME REQUIREMENTS.—The Secretary shall establish eligibility requirements based on income or debt-to-income ratio that take into consideration providing access to refinancing under this section for borrowers with the greatest financial need.

"(f) NOTIFICATION TO BORROWERS.—The Secretary, in coordination with the Director of the Bureau of Consumer Financial Protection, shall undertake a campaign to alert borrowers of loans that are eligible for refinancing under this section that the borrowers are eligible to apply for such refinancing. The campaign shall include the following activities:

"(1) Developing consumer information materials about the availability of Federal student loan refinancing.

"(2) Requiring servicers of loans under this part or part B to provide such consumer information to borrowers in a manner determined appropriate by the Secretary, in consultation with the Director of the Bureau of Consumer Financial Protection.".

SEC. 4307. REFINANCING PRIVATE STUDENT LOANS.

Part D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq.) is amended by adding at the end the following:

"SEC. 460B. FEDERAL DIRECT REFINANCED PRIVATE LOAN PROGRAM.

"(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE PRIVATE EDUCATION LOAN.—The term 'eligible private education loan' means a private education loan, as defined in section 140(a) of the Truth in Lending Act (15 U.S.C. 1650(a)), that—

"(A) was disbursed to the borrower before July 1, 2020; and

"(B) was for the borrower's own postsecondary educational expenses for an eligible program at an institution of higher education participating in the loan program under this part, as of the date that the loan was disbursed.

"(2) FEDERAL DIRECT REFINANCED PRIVATE LOAN.—The term 'Federal Direct Refinanced Private Loan' means a loan issued under subsection (b)(1).

"(3) PRIVATE EDUCATIONAL LENDER.—The term 'private educational lender' has the meaning given the term in section 140(a) of the Truth in Lending Act (15 U.S.C. 1650(a)).

"(4) QUALIFIED BORROWER.—The term 'qualified borrower' means an individual who—

"(A) has an eligible private education loan;

"(B) has been current on payments on the eligible private education loan for the 6 months prior to the date of the qualified borrower's application for refinancing under this section, and is in good standing on the loan at the time of such application;

"(C) is not in default on the eligible private education loan or on any loan made, insured, or guaranteed under this part or part B or E; and

"(D) meets the eligibility requirements described in subsection (b)(2).

"(b) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—The Secretary, in consultation with the Secretary of the Treasury, shall carry out a program under which the Secretary, upon application by a qualified borrower who has an eligible private education loan, shall issue such borrower a loan under this part in accordance with the following:

"(A) The loan issued under this program shall be in an amount equal to the sum of the unpaid principal, accrued unpaid interest, and late charges of the private education loan.

"(B) The Secretary shall pay the proceeds of the loan issued under this program to the private educational lender of the private education loan, in order to discharge the qualified borrower from any remaining obligation to the lender with respect to the original loan.

"(C) The Secretary shall require that the qualified borrower undergo loan counseling that provides all of the information and counseling required under clause (i) and clauses (iv) through (xiv) of section 485(b)(1)(A) (as

amended by the College Affordability Act) before the loan is refinanced in accordance with this section, and before the proceeds of such loan are paid to the private educational lender.

"(D) The Secretary shall issue the loan as a Federal Direct Refinanced Private Loan, which shall have the same terms, conditions, and benefits as a Federal Direct Unsubsidized Stafford Loan, except as otherwise provided in this section.

"(2) BORROWER ELIGIBILITY.—The Secretary, in consultation with the Secretary of the Treasury and the Director of the Bureau of Consumer Financial Protection, shall establish eligibility requirements—

"(A) based on income or debt-to-income ratio that take into consideration providing access to refinancing under this section for borrowers with the greatest financial need;

"(B) to ensure eligibility only for borrowers in good standing;

"(C) to minimize inequities between Federal Direct Refinanced Private Loans and other Federal student loans;

"(D) to preclude windfall profits for private educational lenders; and

"(E) to ensure full access to the program authorized in this subsection for borrowers with private loans who otherwise meet the criteria established in accordance with subparagraphs (A) and (B).

"(c) INTEREST RATE.—

"(1) IN GENERAL.—The interest rate for a Federal Direct Refinanced Private Loan is—

"(A) in the case of a Federal Direct Refinanced Private Loan for a private education loan originally issued for undergraduate postsecondary educational expenses, a rate equal to the rate for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans issued to undergraduate students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020; and

"(B) in the case of a Federal Direct Refinanced Private Loan for a private education loan originally issued for graduate or professional degree postsecondary educational expenses, a rate equal to the rate for Federal Direct Unsubsidized Stafford Loans issued to graduate or professional students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020.

"(2) COMBINED UNDERGRADUATE AND GRADUATE STUDY LOANS.—If a Federal Direct Refinanced Private Loan is for a private education loan originally issued for both undergraduate and graduate or professional postsecondary educational expenses, the interest rate shall be a rate equal to the rate for Federal Direct PLUS Loans for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020.

"(3) FIXED RATE.—The applicable rate of interest determined under this subsection for a Federal Direct Refinanced Private Loan shall be fixed for the period of the loan.

"(d) NO INCLUSION IN AGGREGATE LIMITS.—The amount of a Federal Direct Refinanced Private Loan, or a Federal Direct Consolidated Loan to the extent such loan was used to repay a Federal Direct Refinanced Private Loan, shall not be included in calculating a borrower's annual or aggregate loan limits under section 428 or 428H.

"(e) NO ELIGIBILITY FOR SERVICE-RELATED REPAYMENT.—A Federal Direct Refinanced Private Loan, or any Federal Direct Consolidation Loan to the extent such loan was used to repay a Federal Direct Refinanced Private Loan, shall not be eligible for any loan repayment or loan forgiveness program under section 428K, 428L, or 460 or for the repayment plan for public service employees under section 455(m).

"(f) PRIVATE EDUCATIONAL LENDER REPORTING REQUIREMENT.—

"(1) REPORTING REQUIRED.—The Secretary, in consultation with the Secretary of the Treasury and the Director of the Bureau of Consumer Financial Protection, shall establish a requirement that private educational lenders report the data described in paragraph (2) to the Secretary, to Congress, to the Secretary of the Treasury, and to the Director of the Bureau of Consumer Financial Protection, in order to allow for an assessment of the private education loan market.

"(2) CONTENTS OF REPORTING.—The data that private educational lenders shall report in accordance with paragraph (1) shall include each of the following about private education loans (as defined in section 140(a) of the Truth in Lending Act (15 U.S.C. 1650(a))):

"(A) The total amount of private education loan debt the lender holds.

"(B) The total number of private education loan borrowers the lender serves.

"(C) The average interest rate on the outstanding private education loan debt held by the lender.

"(D) The proportion of private education loan borrowers who are in default on a loan held by the lender.

"(E) The proportion of the outstanding private education loan volume held by the lender that is in default.

"(F) The proportions of outstanding private education loan borrowers who are 30, 60, and 90 days delinquent.

"(G) The proportions of outstanding private education loan volume that is 30, 60, and 90 days delinquent.

"(g) NOTIFICATION TO BORROWERS.—The Secretary, in coordination with the Secretary of the Treasury and the Director of the Bureau of Consumer Financial Protection, shall undertake a campaign to alert borrowers about the availability of private student loan refinancing under this section.".

PART E—FEDERAL PERKINS LOANS

SEC. 4401. AUTHORIZATION OF APPROPRIATIONS FOR PERKINS LOAN.

Section 461(b) of the Higher Education Act of 1965 (20 U.S.C. 1087aa(b)) is amended—

(1) by striking "(1) IN GENERAL.—";

(2) by striking paragraphs (2) and (3); and

(3) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively.

SEC. 4402. ALLOCATION OF FUNDS FOR PERKINS LOAN.

Section 462 of the Higher Education Act of 1965 (20 U.S.C. 1087bb) is amended—

(1) in subsection (a)(1), by striking "From" and inserting "For any fiscal year before fiscal year 2021, from"; and

(2) in subsection (i)(1), by striking "for any fiscal year," and inserting "for any fiscal year before fiscal year 2021,".

SEC. 4403. FEDERAL DIRECT PERKINS LOAN ALLOCATION.

Part E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087aa et seq.) is amended by inserting after section 462 the following:

"SEC. 462A. FEDERAL DIRECT PERKINS LOAN ALLOCATION.

"(a) PURPOSE.—The purpose of this section is to make funds available, in accordance with section 452, to each participating institution in an amount not to exceed the sum of an institution's allocation of funds under subsection (b)(1)(B) to enable each such participating institution to make Federal Direct Perkins Loans under section 455A to eligible students at such participating institution.

"(b) AVAILABLE DIRECT PERKINS ANNUAL LOAN AUTHORITY.—

"(1) AVAILABILITY AND ALLOCATIONS.—

"(A) IN GENERAL.—There are hereby made available, from funds made available for loans made under part D, not to exceed $2,400,000,000 of annual loan authority for award year 2021–2022 and each succeeding award year, to be allocated as provided in subparagraph (B).

"(B) ALLOCATION FORMULA.—Except as provided in paragraphs (2) and (3), for each award year, the Secretary shall allocate an amount to each participating institution that is equal to—

"(i) 100 percent of the institutional undergraduate student need (as determined under subparagraph (C)) for the preceding award year; and

"(ii) 25 percent of the institutional graduate student need (as determined under subparagraph (D)) for the preceding award year.

"(C) INSTITUTIONAL UNDERGRADUATE STUDENT NEED CALCULATION.—The institutional undergraduate student need for a participating institution for an award year shall be equal to the sum of the following:

"(i) An amount equal to 50 percent of the amount that bears the same proportion to the amount made available under subparagraph (A) for such award year as the total amount of Federal Pell Grant funds awarded at the participating institution for the preceding award year bears to the total amount of Federal Pell Grant funds awarded at all participating institutions for the preceding award year.

"(ii) An amount equal to 50 percent of the amount that bears the same proportion to the amount made available under subparagraph (A) for such award year as the total amount of the undergraduate student need at the participating institution for the preceding award year bears

to the total amount of undergraduate student need at all participating institutions for the preceding award year.

"(D) INSTITUTIONAL GRADUATE STUDENT NEED CALCULATION.—The institutional graduate student need for a participating institution for an award year shall be equal to the amount that bears the same proportion to the amount made available under subparagraph (A) for such award year as the total amount of the graduate student need at the participating institution for the preceding award year bears to the total amount of graduate student need at all participating institutions for the preceding award year.

"(2) REQUIRED MINIMUM AMOUNT.—In no case shall the sum of a participating institution's allocation of loan authority computed under paragraph (1)(B) be less than the average of the institution's total principal amount of loans made under this part for each of the academic years 2012–2013 through 2016–2017.

"(3) ADDITIONAL ADJUSTMENTS.—If the Secretary determines that the sum of a participating institution's allocation of loan authority under paragraph (1)(B) is below the minimum amount required under paragraph (3), the Secretary shall—

"(A) for each participating institution for which the minimum amount under paragraph (3) is not satisfied, increase the amount of such sum to the amount of the required minimum under such paragraph; and

"(B) ratably reduce the amount of the sum of such loan authority of all participating institutions not described in subparagraph (A).

"(c) DEFINITIONS.—In this section:

"(1) ANNUAL LOAN AUTHORITY.—The term 'annual loan authority' means the total original principal amount of loans—

"(A) made available for loans under part D; and

"(B) that may be allocated under subsection (b)(1) for an award year to participating institutions to make Federal Direct Perkins Loans under section 455A.

"(2) AVERAGE COST OF ATTENDANCE.—The term 'average cost of attendance' has the meaning given the term in section 4202(e)(5)(B).

"(3) GRADUATE STUDENT NEED.—The term 'graduate student need' means, with respect to a graduate student for an award year, the lesser of the following:

"(A) The amount equal to (except the amount computed by this subparagraph shall not be less than zero)—

"(i) the average cost of attendance for the preceding award year, minus

"(ii) such graduate student's expected family contribution (computed in accordance with part F of this title) for the preceding award year.

"(B) The total annual loan limit for a Federal Direct Unsubsidized Stafford Loan.

"(4) UNDERGRADUATE STUDENT NEED.—The term 'undergraduate student need' means, with respect to an undergraduate student for an award year, the lesser of the following:

"(A) The total of the amount equal to (except the amount computed by this clause shall not be less than zero)—

"(i) the average cost of attendance for the award year, minus

"(ii) such undergraduate student's expected family contribution (computed in accordance with part F of this title) for the preceding award year.

"(B) The total loan annual limit for a Federal Direct Unsubsidized Stafford Loan and a Federal Direct Loan.

"(5) PARTICIPATING INSTITUTION.—The term 'participating institution' means an institution of higher education—

"(A) that has an agreement under section 463(f);

"(B) that participates in the Federal Direct Stafford Loan Program; and

"(C) is not an institution described in section 102(a)(1)(C).".

SEC. 4404. AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION FOR PURPOSES OF THE PERKINS LOAN PROGRAM.

(a) AMENDMENTS.—Section 463 of the Higher Education Act of 1965 (20 U.S.C. 1087cc) is amended—

(1) in subsection (a)—

(A) in the heading, by inserting "FOR LOANS MADE BEFORE JULY 1, 2021" after "AGREEMENTS";

(B) in paragraph (3)(A), by inserting "before July 1, 2021" after "students";

(C) in paragraph (4), by striking "thereon—" and all that follows and inserting "thereon, if the institution has failed to maintain an acceptable col-

lection record with respect to such loan, as determined by the Secretary in accordance with criteria established by regulation, the Secretary may require the institution to assign such note or agreement to the Secretary, without recompense;"; and

(D) in paragraph (5), by striking "and the Secretary shall apportion" and all that follows through "in accordance with section 462" and inserting "and the Secretary shall return a portion of funds from loan repayments to the institution as specified in section 466(b)";

(2) by amending subsection (b) to read as follows:

"(b) ADMINISTRATIVE EXPENSES.—An institution that has entered into an agreement under subsection (a) shall be entitled, for each fiscal year during which it services student loans from a student loan fund established under such agreement, to a payment in lieu of reimbursement for its expenses in servicing student loans made before July 1, 2021. Such payment shall be equal to 0.50 percent of the outstanding principal and interest balance of such loans being serviced by the institution as of September 30 of each fiscal year."; and

(3) by adding at the end the following:

"(f) CONTENTS OF AGREEMENTS FOR LOANS MADE ON OR AFTER JULY 1, 2021.—An agreement with any institution of higher education that elects to participate in the Federal Direct Perkins Loan program under section 455A shall provide—

"(1) for the establishment and maintenance of a Direct Perkins Loan program at the institution under which the institution shall use annual loan authority allocated under section 462A to make loans to eligible students attending the institution;

"(2) that the institution, unless otherwise specified in this subsection, shall operate the program consistent with the requirements of agreements established under section 454; and

"(3) that if the institution ceases to be eligible to receive Federal loans under this title based on loss of eligibility under section 435(a), due to a high adjusted cohort default rate, the Secretary shall suspend or terminate the institution's eligibility to make Federal Direct Perkins Loans under section 455A unless and until the institution would qualify for a resumption of eligible institution status under such section 435(a).".

(b) EFFECTIVE DATE.—The amendments made by paragraph (2) of subsection (a) shall take effect on October 1, 2021.

SEC. 4405. STUDENT LOAN INFORMATION BY ELIGIBLE INSTITUTIONS FOR PURPOSES OF THE PERKINS LOAN PROGRAM.

Section 463A of the Higher Education Act of 1965 (20 U.S.C. 1087cc–1) is amended—

(1) in subsection (a), by striking "Each institution" and inserting "For loans made before July 1, 2021, each institution"; and

(2) in subsection (b), by striking "Each institution" and inserting "For loans made before July 1, 2021, each institution".

SEC. 4406. TERMS OF LOANS FOR PURPOSES OF THE PERKINS LOAN PROGRAM.

Section 464 of the Higher Education Act of 1965 (20 U.S.C. 1087dd) is amended—

(1) in subsection (a)(1), by striking "section 463" and inserting "section 463(a)";

(2) in subsection (b)—

(A) in paragraph (1), by inserting "made before July 1, 2021," after "A loan"; and

(B) in paragraph (2), by inserting "(with respect to a loan made before July 1, 2021) or an allocation under section 462A (with respect to a loan made on or after July 1, 2021)" after "capital contribution under section 462";

(3) in subsection (c)—

(A) in paragraph (1), by inserting "made before July 1, 2021," after "a loan";

(B) in paragraph (2)—

(i) in subparagraph (A), by inserting "made before July 1, 2021," after "any loan"; and

(ii) in subparagraph (B), by inserting "made before July 1, 2021," after "any loan";

(C) in paragraph (3)(B), by inserting "for a loan made before July 1, 2021," after "Secretary, the repayment period";

(D) in paragraph (4), by inserting "before July 1, 2021," after "for a loan made";

(E) in paragraph (5), by striking "The institution" and inserting "For loans made before July 1, 2021, the institution"; and

(F) in paragraph (6), by inserting "made before July 1, 2021," after "of loans";

(4) in subsection (d), by inserting "made before July 1, 2021," before "from the student loan fund";

(5) in subsection (e), by inserting "with respect to loans made before July 1, 2021, and" before "as documented in accordance with paragraph (2),";

(6) in subsection (f)(1), by inserting "before July 1, 2021" after "this part";

(7) in subsection (g)(1), by inserting "and before July 1, 2021," after "January 1, 1986,";

(8) in subsection (h)—

(A) in paragraph (1)(A) by inserting "before July 1, 2021," after "made under this part"; and

(B) in paragraph (2), by inserting "before July 1, 2021," after "under this part"; and

(9) in subsection (j)(1), by inserting "before July 1, 2021," after "under this part".

SEC. 4407. REIMBURSEMENT FOR CANCELLATION OF PERKINS LOANS FOR CERTAIN PUBLIC SERVICE.

Section 465 of the Higher Education Act of 1965 (20 U.S.C. 1087ee) is amended—

(1) in subsection (a), by inserting "and before July 1, 2021," after "June 30, 1972,"; and

(2) by amending subsection (b) to read as follows:

"(b) REIMBURSEMENT FOR CANCELLATIONS.—

"(1) ASSIGNED LOANS.—In the case of loans made under this part before July 1, 2021, and that are assigned to the Secretary, the Secretary shall, from amounts repaid each quarter on assigned Perkins Loans made before July 1, 2021, pay to each institution for each quarter an amount equal to—

"(A) the aggregate of the amounts of loans from its student loan fund that are canceled pursuant to this section for such quarter, minus

"(B) an amount equal to the aggregate of the amounts of any such loans so canceled that were made from Federal capital contributions to its student loan fund.

"(2) RETAINED LOANS.—In the case of loans made under this part before July 1, 2021, and that are retained by the institution for servicing, the institution shall deduct from loan repayments owed to the Secretary under section 466, an amount equal to—

"(A) the aggregate of the amounts of loans from its student loan fund that are canceled pursuant to this section for such quarter, minus

"(B) an amount equal to the aggregate of the amounts of any such loans so canceled that were made from Federal capital contributions to its student loan fund.".

SEC. 4408. DISTRIBUTION OF ASSETS FROM STUDENT LOAN FUNDS FOR PURPOSES OF THE PERKINS LOAN PROGRAM.

Section 466 of the Higher Education Act of 1965 (20 U.S.C. 1087ff) is amended to read as follows:

"SEC. 466. DISTRIBUTION OF ASSETS FROM STUDENT LOAN FUNDS.

"(a) CAPITAL DISTRIBUTION.—Beginning July 1, 2021, there shall be a capital distribution of the balance of the student loan fund established under this part by each institution of higher education as follows:

"(1) For the quarter beginning July 1, 2021, the Secretary shall first be paid, no later than September 30, 2021, an amount that bears the same ratio to the cash balance in such fund at the close of June 30, 2021, as the total amount of the Federal capital contributions to such fund by the Secretary under this part bears to—

"(A) the sum of such Federal contributions and the institution's capital contributions to such fund, less

"(B) an amount equal to—

"(i) the institution's outstanding administrative costs as calculated under section 463(b);

"(ii) outstanding charges assessed under section 464(c)(1)(H); and

"(iii) outstanding loan cancellation costs incurred under section 465.

"(2) At the end of each quarter subsequent to the quarter ending September 30, 2021, the Secretary shall first be paid an amount that bears the same ratio to the cash balance in such fund at the close of the preceding quarter, as the total amount of the Federal capital contributions to such fund by the Secretary under this part bears to—

"(A) the sum of such Federal contributions and the institution's capital contributions to such fund, less

"(B) an amount equal to—

"(i) the institution's administrative costs incurred for that quarter as calculated under section 463(b);

"(ii) charges assessed for that quarter under section 464(c)(1)(H); and

"(iii) loan cancellation costs incurred for that quarter under section 465.

"(3)(A) The Secretary shall calculate the amounts due to the Secretary under paragraph (1) (adjusted in accordance with subparagraph (B), as appropriate) and paragraph (2) and shall promptly inform the institution of such calculated amounts.

"(B) In the event that, prior to the date of enactment of the College Affordability Act, an institution made a short-term, interest-free loan to the institution's student loan fund established under this part in anticipation of collections or receipt of Federal capital contributions, and the institution demonstrates to the Secretary, on or before June 30, 2021, that such loan will still be outstanding after June 30, 2021, the Secretary shall subtract the amount of such outstanding loan from the cash balance of the institution's student loan fund that is used to calculate the amount due to the Secretary under paragraph (1). An adjustment of an amount due to the Secretary under this subparagraph shall be made by the Secretary on a case-by-case basis.

"(4) Any remaining balance at the end of a quarter after a payment under paragraph (1) or (2) shall be retained by the institution for use at its discretion. Any balance so retained shall be withdrawn from the student loan fund and shall not be counted in calculating amounts owed to the Secretary for subsequent quarters.

"(5) Each institution shall make the quarterly payments to the Secretary described in paragraph (2) until all outstanding Federal Perkins Loans at that institution have been assigned to the Secretary and there are no funds remaining in the institution's student loan fund.

"(6) In the event that the institution's administrative costs, charges, and cancellation costs described in paragraph (2) for a quarter exceed the amount owed to the Secretary under paragraphs (1) and (2) for that quarter, no payment shall be due to the Secretary from the institution for that quarter and the Secretary shall pay the institution, from funds realized from the collection of assigned Federal Perkins Loans made before July 1, 2021, an amount that, when combined with the amount retained by the institution under paragraphs (1) and (2), equals the full amount of such administrative costs, charges, and cancellation costs.

"(b) ASSIGNMENT OF OUTSTANDING LOANS.—Beginning July 1, 2021, an institution of higher education may assign all outstanding loans made under this part before July 1, 2021, to the Secretary, consistent with the requirements of section 463(a)(5). In collecting loans so assigned, the Secretary shall pay an institution an amount that constitutes the same fraction of such collections as the fraction of the cash balance that the institution retains under subsection (a)(2), but determining such fraction without regard to subparagraph (B)(i) of such subsection.".

PART F—NEED ANALYSIS

SEC. 4501. AMENDMENTS TO FAMILY CONTRIBUTION.

Section 473(b) of the Higher Education Act of 1965 (20 U.S.C. 1087mm) is amended—

(1) in paragraph (1), by striking "academic year" and inserting "award year"; and

(2) in paragraph (2)—

(A) by striking "academic year" each place it appears and inserting "award year";

(B) by striking "academic years" and inserting "award years";

(C) in subparagraph (B), by striking "parent or guardian" and inserting "parent, guardian, or spouse"; and

(D) in subparagraph (C), by inserting "in the case of a student whose parent or guardian is described in clause (i) or (ii) of subparagraph (B)," before "who".

SEC. 4502. AMENDMENTS TO DATA ELEMENTS WHEN DETERMINING THE EXPECTED FAMILY CONTRIBUTION.

Section 474(b) of the Higher Education Act of 1965 (20 U.S.C. 1087nn(b)) is amended in paragraph (4), by inserting before "the net" the following: "only in the case of a pathway three applicant,".

SEC. 4503. AMENDMENTS TO FAMILY CONTRIBUTION FOR DEPENDENT STUDENTS.

(a) DEPENDENT STUDENTS.—Section 475 of the Higher Education Act of 1965 (20 U.S.C. 1087oo) is amended—

(1) in subsection (a)(3), by inserting before "the student" the following: "only in the case of a pathway three applicant,";

(2) in subsection (b)(1)(B), by inserting before "the parents'" the following: "only in the case of a pathway three applicant,"; and

(3) in subsection (b)(3), by striking "award period" and inserting "award year".

(b) INCREASING SUPPORT FOR WORKING DEPENDENT STUDENTS.—Section 475(g)(2)(D) of the Higher Education Act of 1965 (20 U.S.C. 1087oo(g)(2)(D)) is amended to read as follows:

"(D) an income protection allowance (or a successor amount prescribed by the Secretary under section 478) of $9,230 for award year 2021–2022;".

SEC. 4504. AMENDMENTS TO FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE.

(a) INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE.—Section 476(a)(1)(B) of the Higher Education Act of 1965 (20 U.S.C. 1087pp(a)(1)(B)) is amended by inserting before "the family's contribution" the following: "only in the case of a pathway three applicant,".

(b) INCREASING SUPPORT FOR WORKING INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE.—Section 476 of the Higher Education Act of 1965 (20 U.S.C. 1087pp) is further amended—

(1) in subsection (a)(2), by striking "award period" and inserting "award year"; and

(2) by amending subsection (b)(1)(A)(iv) to read as follows:

"(iv) an income protection allowance (or a successor amount prescribed by the Secretary under section 478)—

"(I) for single or separated students, or married students where both are enrolled pursuant to subsection (a)(2), of $14,360 for award year 2021–2022; and

"(II) for married students where 1 is enrolled pursuant to subsection (a)(2), of $23,030 for award year 2021–2022;".

SEC. 4505. AMENDMENTS TO FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE.

(a) INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE.—Section 477(a)(1)(B) of the Higher Education Act of 1965 (20 U.S.C. 1087qq(a)(1)(B)) is amended by inserting before "the family's contribution" the following: "only in the case of a pathway three applicant,".

(b) INCREASING SUPPORT FOR WORKING INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE.—Section 477 of the Higher Education Act of 1965 (20 U.S.C. 1087qq) is amended—

(1) in subsection (a)(3), by striking "award period" and inserting "award year"; and

(2) by amending subsection (b)(4) to read as follows:

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478), for award year 2021–2022:

"Income Protection Allowance

Family Size	Number in College					
(including student)	1	2	3	4	5	For each additional subtract:
2	$36,370	$30,160				$6,180
3	45,290	39,100	$32,890			
4	55,920	49,720	43,540	$37,300		
5	65,990	59,750	53,570	47,360	$41,180	
6	77,170	70,960	64,790	58,540	52,350	
For each additional						

''Income Protection Allowance—Continued

Family Size	Number in College					
(including student)	1	2	3	4	5	For each additional subtract:
add:	8,710					".

SEC. 4506. INSTITUTIONAL CALCULATIONS FOR OFF-CAMPUS ROOM AND BOARD.

(a) AUTHORITY TO PRESCRIBE REGULATIONS.—Section 478(a) of the Higher Education Act of 1965 (20 U.S.C. 1087rr(a)) is amended—

(1) in paragraph (1)—

(A) by striking "or" at the end of subparagraph (A);

(B) by striking the period at the end of subparagraph (B) and inserting "; or"; and

(C) by adding at the end the following:

"(C) to prescribe—

"(i) one methodology that institutions of higher education (other than institutions that receive a waiver under clause (ii)) shall use, or a selection of two or more methodologies from which such institutions shall select and use a methodology, to determine the allowance for room and board costs incurred by students described in subparagraph (A) of section 472(3) and by students described in subparagraph (D) of such section, which shall—

"(I) ensure that each such allowance determination is sufficient to cover reasonable room and board costs incurred by the students for whom such allowance is being determined; and

"(II) include the sources of information that institutions shall use in making each such allowance determination; and

"(ii) a process for granting institutions of higher education a waiver from the requirements of clause (i), including—

"(I) a requirement that each institution of higher education seeking such a waiver submit to the Secretary—

"(aa) a description of the methodology that the institution will use for each allowance determination described in clause (i);

"(bb) an assurance that each such allowance determination meets the requirements of clause (i)(I); and

"(cc) a demonstration that the institution will use reliable sources of information for each such allowance determination; and

"(II) a requirement that each institution of higher education that receives such a waiver publicly disclose on the website of the institution the methodology and sources of information used by the institution for each allowance determination described in clause (i).''; and

(2) by adding at the end the following:

"(3) Any regulation proposed by the Secretary under paragraph (1)(C) of this subsection shall not be subject to the requirements of paragraph (2).".

(b) REQUIREMENT TO PRESCRIBE REGULATIONS.—Not later than 18 months after the date of enactment of this Act, the Secretary of Education shall issue regulations that meet the requirements of subparagraph (C) of section 478(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1087rr(a)(1)), as added by subsection (a).

SEC. 4507. UPDATED TABLES AND AMOUNTS TO NEED ANALYSIS.

Section 478 of the Higher Education Act of 1965 (20 U.S.C. 1087rr) is further amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking subparagraphs (A) and (B) and inserting the following:

"(A) IN GENERAL.—For each award year after award year 2021–2022, the Secretary shall publish in the Federal Register a revised table of income protection allowances for the purpose of sections 475(c)(4) and 477(b)(4), subject to subparagraphs (B) and (C).

"(B) TABLE FOR INDEPENDENT STUDENTS.—For each award year after award year 2021–2022, the Secretary shall develop the revised table of income protection allowances by increasing each of the dollar amounts contained in the table of income protection allowances under section 477(b)(4) by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary for the most recent calendar year ending prior to the beginning of the award year for which the

determination is being made), and rounding the result to the nearest $10."; and

(B) in paragraph (2)—

(i) in the first sentence, by striking "academic year after academic year 2007–2008" and inserting "award year after award year 2021–2022"; and

(ii) in the second sentence, by striking "shall be developed" and all that follows through the period at the end and inserting "shall be developed for each award year after award year 2021–2022, by increasing each of the dollar amounts contained in such section for award year 2021–2022 by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary for the most recent calendar year ending prior to the beginning of the award year for which the determination is being made), and rounding the result to the nearest $10."; and

(2) in subsection (e)(1), by striking "academic year" and inserting "award year".

SEC. 4508. ZERO EXPECTED FAMILY CONTRIBUTION.

Section 479 of the Higher Education Act of 1965 (20 U.S.C. 1087ss) is amended to read as follows:

"SEC. 479. ZERO EXPECTED FAMILY CONTRIBUTION.

"(a) IN GENERAL.—The Secretary shall consider an applicant to have an expected family contribution equal to zero if—

"(1) in the case of a dependent student—

"(A)(i) the student's parents are not required to file—

"(I) a Federal income tax return; or

"(II) with respect to Internal Revenue Service Form 1040, any of the following forms: Schedule A, Schedule B, Schedule C, Schedule C–EZ, Schedule D, Schedule E, Schedule F, Schedule H, Schedule J, and Schedule SE; and

"(ii) the sum of the adjusted gross income of the parents is less than or equal to $37,000; or

"(B) the student's parents, or the student, received a benefit at some time during the previous 24-month period under a means-tested Federal benefit program;

"(2) in the case of an independent student without regard to whether the student has dependents other than a spouse—

"(A)(i) the student (and the student's spouse, if any) certifies that the student (and the student's spouse, if any)—

"(I) is not required to file a Federal income tax return; or

"(II) with respect to Internal Revenue Service Form 1040, any of the following forms: Schedule A, Schedule B, Schedule C, Schedule C–EZ, Schedule D, Schedule E, Schedule F, Schedule H, Schedule J, and Schedule SE; and

"(ii) the sum of the adjusted gross income of the student and spouse (if appropriate) is less than or equal to $37,000; or

"(B) the student received a benefit at some time during the previous 24-month period under a means-tested Federal benefit program; or

"(3) the applicant is a pathway one applicant under section 483(a)(13).

"(b) EARNED INCOME CREDIT.—An individual is not required to qualify or file for the earned income credit in order to be eligible under this section.

"(c) ADJUSTMENTS.—The Secretary shall annually adjust the income level necessary to qualify an applicant for the zero expected family contribution. The income level shall be annually increased by the estimated percentage change in the Consumer Price Index, as defined in section 478(f), for the most recent calendar year ending prior to the beginning of an award year, and rounded to the nearest $1,000.

"(d) MEANS-TESTED FEDERAL BENEFIT PROGRAM DEFINED.—For purposes of this title, a 'means-tested Federal benefit program' means a mandatory spending program of the Federal Government, other than a program under this title, in which eligibility for the program's benefits, or the amount of such benefits, are determined on the basis of income or resources of the individual or family seeking the benefit, and may include such programs as—

"(1) the supplemental security income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

"(2) the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), a nutrition assistance program carried out under section 19 of such Act (7 U.S.C. 2028), and a supplemental nutrition

assistance program carried out under section 1841(c) of title 48 of the United States Code;

"(3) the program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

"(4) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

"(5) the State Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); and

"(6) any other program identified by the Secretary.".

SEC. 4509. AMENDMENTS TO DEFINITIONS IN NEED ANALYSIS.

(a) USING DATA FROM THE SECOND PRECEDING YEAR.—Section 480(a)(1)(B) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(a)(1)(B)) is amended by striking "may" in both places it appears and inserting "shall".

(b) CHANGES TO UNTAXED INCOME AND BENEFITS.—Section 480(b) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(b)) is amended—

(1) in paragraph (1), to read as follows:

"(1) The term 'untaxed income and benefits' means—

"(A) child support received;

"(B) untaxed portion of pensions;

"(C) payments to individual retirement accounts and Keogh accounts excluded from income for Federal income tax purposes; and

"(D) cash support or any money paid on the student's behalf, except, for dependent students, funds provided by the student's parents."; and

(2) in paragraph (2)—

(A) by striking "or" at the end of subparagraph (E);

(B) by striking the period at the end of subparagraph (F) and inserting a semicolon; and

(C) by adding at the end the following:

"(G) worker's compensation;

"(H) veteran's benefits such as death pension, dependency, or indemnity compensation, or veterans' education benefits as defined in subsection (c);

"(I) interest on tax-free bonds;

"(J) housing, food, or other allowances (including rent subsidies for low-income housing) for military, clergy, and others (including cash payments and cash value of benefits), or the value of on-base military housing or the value of basic allowance for housing determined under section 403(b) of title 37, United States Code, received by the parents, in the case of a dependent student, or the student or student's spouse, in the case of an independent student; or

"(K) any other untaxed income and benefits, such as Black Lung Benefits, Refugee Assistance, or railroad retirement benefits, or benefits received through participation in employment and training activities under title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3111 et seq.).".

(c) AMENDMENT TO THE DEFINITION OF INDEPENDENT STUDENT AS IT RELATES TO FOSTER AND HOMELESS YOUTH.—Section 480(d)(1)(H) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(d)(1)(H)) is amended—

(1) in the matter preceding clause (i)—

(A) by striking "during the school year in which the application is submitted";

(B) by inserting "age 23 or younger" after "unaccompanied youth"; and

(C) by striking "terms are" and inserting "term is";

(2) in clause (i), by inserting ", or a designee of the liaison" after "Act";

(3) in clause (ii), by striking "a program funded under the Runaway and Homeless Youth Act" and inserting "an emergency or transitional shelter, street outreach program, homeless youths drop-in center, or other program serving homeless youths,"; and

(4) in clause (iii), by striking "program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (relating to emergency shelter grants)" and inserting "Federal TRIO program or a Gaining Early Awareness and Readiness for Undergraduate program under chapter 1 or 2 of subpart 2 of part A,".

(d) STREAMLINING THE DETERMINATION AND VERIFICATION PROCESS FOR FOSTER AND HOMELESS YOUTH.—Section 480(d) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(d)) is further amended by adding at the end the following:

"(3) SIMPLIFYING THE DETERMINATION PROCESS FOR UNACCOMPANIED YOUTH.—

"(A) VERIFICATION.—A financial aid administrator shall accept a determination of independence made by any individual authorized to make such determinations under clause (i), (ii), or (iii) of paragraph (1)(H) in the absence of conflicting information. A documented phone call with, or a written statement from, one of the authorized individuals is sufficient verification when needed. For purposes of this paragraph, a financial aid administrator's disagreement with the determination made by an authorized individual shall not be considered conflicting information.

"(B) DETERMINATION OF INDEPENDENCE.—A financial aid administrator shall make a determination of independence under paragraph (1)(H) if a student does not have, and cannot obtain, documentation from any of the other designated authorities described in such paragraph. Such a determination shall be—

"(i) based on the definitions outlined in paragraph (1)(H);

"(ii) distinct from a determination of independence under paragraph (1)(I);

"(iii) based on a documented interview with the student; and

"(iv) limited to whether the student meets the definitions in paragraph (1)(H) and not about the reasons for the student's homelessness.

"(C) ADDITIONAL STREAMLINING PERMITTED.—Nothing in this paragraph prohibits an institution from implementing polices that—

"(i) streamline the determination of independence under paragraph (1)(H); and

"(ii) improve a student's access to financial aid because that student is an unaccompanied youth.

"(4) SIMPLIFYING THE VERIFICATION PROCESS FOR FOSTER CARE YOUTH.—

"(A) VERIFICATION OF INDEPENDENCE.—If an institution requires documentation to verify that a student is independent based on a status described in paragraph (1)(B), a financial aid administrator shall consider any of the following as adequate verification:

"(i) Submission of a court order or official State documentation that the student received Federal or State support in foster care.

"(ii) A documented phone call with, a written statement from, or verifiable data match with—

"(I) a child welfare agency authorized by a State or county;

"(II) a Tribal child welfare authority;

"(III) an Independent Living case worker;

"(IV) a public or private foster care placing agency or foster care facility or placement;

"(V) another program serving orphans, foster care youth, or wards of the court; or

"(VI) a probation officer.

"(iii) A documented phone call with, or a written statement from, an attorney, a guardian ad litem, or a Court Appointed Special Advocate, documenting that person's relationship to the student.

"(iv) A documented phone call with, or a written statement from, a representative of a Federal TRIO program or a Gaining Early Awareness and Readiness for Undergraduate program under chapter 1 or 2 of subpart 2 of part A.

"(v) Verification of the student's eligibility for an education and training voucher under the John H. Chafee Foster Care Independence Program (42 U.S.C. 677).

"(vi) Documentation of foster care provided pursuant to section 475(5)(I) of the Social Security Act (45 U.S.C. 675(5)(I)).

"(vii) Submission of a copy of the student's biological or adoptive parents' or legal guardians'—

"(I) Certificates of Death; or

"(II) verifiable obituaries.

"(viii) An attestation from the student, which includes a description of why the student may qualify for a status described in paragraph (1)(B), including the approximate dates that the student was in foster care, dependent, or a ward of the court, to the best of the student's knowledge after making reasonable efforts to provide any requested documentation.

"(B) ADDITIONAL STREAMLINING PERMITTED.—Nothing in this paragraph prohibits an institution from implementing polices that streamline the determination of independent status and improve a student's access to financial aid because that student is an orphan, in foster care, or a ward of the

court, or was an orphan, in foster care, or a ward of the court at any time since such student was 13 years of age or older.

"(5) TIMING; USE OF EARLIER DETERMINATION.—

"(A) TIMING.—A determination under subparagraph (B) or (H) of paragraph (1) for a student—

"(i) shall be made as quickly as practicable;

"(ii) may be made as early as the year before the award year for which the student initially submits an application; and

"(iii) shall be made no later than during the award year for which the student initially submits an application.

"(B) USE OF EARLIER DETERMINATION.—Any student who is determined to be independent under subparagraph (B) or (H) of paragraph (1) for a preceding award year at an institution shall be presumed to be independent for each subsequent award year at the same institution unless—

"(i) the student informs the institution that circumstances have changed; or

"(ii) the institution has specific conflicting information about the student's independence, and has informed the student of this information and the opportunity to challenge such information through a documented interview or an impartial review by the Borrower Advocate pursuant to section 141(f)(6)(C).

"(6) RETENTION OF DOCUMENTS.—A financial aid administrator shall retain all documents related to the determination of independence under subparagraph (B) or (H) of paragraph (1), including documented interviews, for the duration of the student's enrollment at the institution and for a minimum of 1 year after the student is no longer enrolled at the institution.".

(e) EXCLUDABLE INCOME.—Section 480(e) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(e)) is amended by striking paragraph (5) and inserting the following:

"(5) payments made and services provided under part E of title IV of the Social Security Act to or on behalf of any child or youth over whom the State agency has responsibility for placement, care, or supervision, including the value of vouchers for education and training and amounts expended for room and board for youth who are not in foster care but are receiving services under section 477 of such Act; and".

PART G—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE PROGRAMS

SEC. 4601. DEFINITION OF ELIGIBLE PROGRAM.

(a) ELIGIBLE PROGRAM.—Section 481(b) of the Higher Education Act of 1965 (20 U.S.C. 1088(b))—

(1) in paragraph (1)(A)(i), by striking "profession" and inserting "occupation";

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) by redesignating clause (iii) as clause (vi); and

(ii) by inserting after clause (ii) the following:

"(iii) has a verified annual earnings rate among individuals who completed the program, as determined under subparagraph (D), that is not less than the average or median annual earnings rate of individuals with only a high school diploma (or the equivalent) based on the most recently available data from the Bureau of Labor Statistics or the Bureau of the Census with respect to—

"(I) such average or median earnings rate in the United States; or

"(II) subject to subparagraph (E), such average or median earnings rate in the State or local area in which the institution offering the program is located;

"(iv) prepares students for gainful employment in a recognized occupation;

"(v) has been in operation for not less than two consecutive years; and"; and

(B) by adding at the end the following:

"(C)(i) For each subsequent year for which a program seeks eligibility under this paragraph, the Secretary shall reevaluate whether the program continues to meet the requirements of clauses (i), (iii), (iv), and (vi) of subparagraph (A). A program that does not meet such requirements for two consecutive award years (or, in the case of a program that does not meet the requirements under subparagraph (A)(iv), for a period of time determined by the Secretary) shall be ineligible to participate in programs under this title—

"(I) for the period of two award years following the last award year for which the program was eligible to participate in such programs; and

"(II) for any subsequent award year, unless the program reapplies for eligibility in accordance with clause (iii) and the Secretary determines that the program meets the requirements of such clauses.

"(ii) Not later than 60 days after receiving notification from the Secretary of the loss of eligibility under clause (i), a program may appeal a loss of eligibility to the Secretary. The Secretary may restore the eligibility of a program under this paragraph if the program demonstrates to the Secretary that extenuating circumstances led to the loss of eligibility.

"(iii) The Secretary shall issue a decision on any appeal submitted by a program under clause (ii) not later than 45 days after its submission.

"(iv) After the expiration of the two-year period described in clause (i)(I), a program that lost eligibility under clause (i) may reapply to the Secretary for a determination of eligibility under this paragraph.

"(D)(i) In this subsection, the term 'verified annual earnings rate' means the mean or median annual earnings rate (whichever is higher) of individuals who completed a program calculated as of the date that is approximately one year after the date on which such individuals completed the program.

"(ii) For the first year for which a program seeks eligibility under this paragraph, the institution that offers such program shall—

"(I) determine the verified annual earnings rate using data obtained on individuals who completed the program;

"(II) obtain an audit of such determination from an independent auditor;

"(III) together with the auditor described in subclause (II), certify the accuracy of the verified annual earnings rate to the Secretary; and

"(IV) determine the completion rate for the program, as described in subparagraph (A)(i), and certify to the Secretary the accuracy of such determination.

"(iii) For each subsequent year for which a program seeks eligibility under this paragraph, the Secretary shall determine the verified annual earnings rate and completion rate for the program using data made available to the Secretary through the postsecondary student data system established under section 132(l) or a successor system (whichever includes the most recent data).

"(E)(i) Except as provided in clause (ii), for purposes of calculating the average annual earnings rate of individuals with only a high school diploma (or the equivalent) under subparagraph (A)(ii) the Secretary shall apply the national average or median earnings rate in the United States.

"(ii) The Secretary may apply the average or median earnings rate in the State or local area in which the institution offering a program is located, in lieu of the national average earnings rate, if the institution provides sufficient justification to the Secretary.

"(F) Using the postsecondary student data system established under section 132(l) or a successor system to streamline reporting requirements and minimize reporting burdens, and in coordination with the National Center for Education Statistics and each institution of higher education offering an eligible program under this paragraph, the Secretary shall, on at least an annual basis, collect data with respect to each such eligible program, including the following:

"(i) The number and demographics of students who enroll in the program.

"(ii) The number of credits attempted and accumulated annually by students enrolled in the program.

"(iii) The share of such students who cease enrollment on or before the completion of 60 percent of the payment period or period of enrollment.

"(iv) The verified completion rate for the program, as described in subparagraph (A)(i).

"(v) The mean and median annual earnings of graduates and the verified annual earnings rate for the program, as described in subparagraph (A)(ii).

"(vi) The number and demographics of students who complete the program.

"(vii) The outcomes of the students who complete the program, including—

"(I) the share of such students who continue enrollment at the institution of higher education offering the program;

"(II) the share of such students who transfer to another institution of higher education;

"(III) the share of such students who complete a subsequent certificate or degree program;

"(IV) the share of such students who secure employment 6 months and 1 year, respectively—

"(aa) after completion of such program; or

"(bb) in the case of a program that prepares students for a professional license or certification exam, after acquiring such license or certification; and

"(V) in the case of a program that prepares students for a professional license or certification exam, the share of such students who pass such exam."; and

(3) in paragraph (4), by inserting "or in addition to" after "in lieu of".

(b) REPORT.—Not later than 3 years after the date of enactment of this Act, the Secretary of Education shall—

(1) submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on the impact of eligible programs described in section 481(b)(2) of the Higher Education Act of 1965 (20 U.S.C. 1088(b)(2)), as amended by this Act, based on the most recent data collected under subparagraph (F) of such section; and

(2) make the report described in paragraph (1) publicly available on the website of the Department of Education.

SEC. 4602. DEFINITION OF THIRD PARTY SERVICER.

Section 481(c) of the Higher Education Act of 1965 (20 U.S.C. 1088(c)) is amended—

(1) in paragraph (1), by striking "or" at the end;

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following:

"(2) any eligible institution of higher education to recruit students; or".

SEC. 4603. FAFSA SIMPLIFICATION.

Section 483 of the Higher Education Act of 1965 (20 U.S.C. 1090) is amended—

(1) in subsection (a)—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking "process" and all that follows through the end of clause (ii) and inserting "process a paper version of the forms described in this subsection, in accordance with subparagraph (B).";

(ii) by striking subparagraph (B);

(iii) by redesignating subparagraph (C) as subparagraph (B); and

(iv) in subparagraph (B), as so redesignated, by striking "subparagraphs (A) and (B)" and inserting "subparagraph (A)";

(B) in paragraph (3)—

(i) in subparagraph (A), by striking the last sentence;

(ii) by striking subparagraph (B), and redesignating subparagraphs (C) through (H) as subparagraphs (B) through (G), respectively;

(iii) in subparagraph (D), as so redesignated—

(I) by striking "The Secretary" and inserting the following:

"(i) IN GENERAL.—The Secretary"; and

(II) by adding at the end the following:

"(ii) SCHOLARSHIP GRANTING ORGANIZATIONS.—

"(I) AUTHORIZATION.—An institution of higher education may, with explicit written consent of an applicant who has completed a form developed under this section, provide such information collected from such form as is necessary to an organization described in subclause (II) that is designated by the applicant to assist the applicant in applying for and receiving financial assistance for any component of the applicant's cost of attendance at that institution.

"(II) DEFINITION OF ORGANIZATION.—An organization described in this subclause—

"(aa) means a scholarship granting organization, including a tribal organization (defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304))) or an organization assisting an applicant in applying for and receiving Federal, State, local, or tribal assistance; and

"(bb) shall be subject to the requirements of clause (i).."; and

(iv) in subparagraph (E), as so redesignated, by striking "subparagraph (G)" and inserting "subparagraph (F)";

(C) in paragraph (4)—

(i) by striking "academic year" each place it appears and inserting "award year";

(ii) in subparagraph (A), by striking clause (iv); and

(iii) by adding at the end the following:

"(C) SINGLE QUESTION REGARDING HOMELESS STATUS.—The Secretary shall ensure that, on each form developed under this section for which the information is applicable, there is a single, easily understood screening question to identify an applicant for aid who is—

"(i) an unaccompanied homeless child or youth (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act); or

"(ii) an unaccompanied youth who is self-supporting and at risk of homelessness.

"(D) INCARCERATED INDIVIDUALS.—

"(i) IN GENERAL.—The Secretary shall streamline the forms and processes for an incarcerated individual (as defined in section 401(n)(4)) to apply for a Federal Pell Grant under section 401, which—

"(I) shall be used to determine the expected family contribution for such individual as of the date of enrollment in the course for which the individual is applying for such Federal Pell Grant; and

"(II) may include—

"(aa) flexibility in the submission of any required documentation required to verify eligibility for a Federal Pell Grant; and

"(bb) assistance in rehabilitating loans under section 428F.

"(ii) REPORT.—Not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, and make publicly available on the website of the Department, a report on how the forms and processes are being streamlined under clause (i).";

(D) in paragraph (5)—

(i) in subparagraph (A), by striking "paragraphs (2)(B)(iii), (3)(B), and (4)(A)(ii)" and inserting "paragraph (4)(A)(ii)";

(ii) in subparagraph (B)—

(I) by striking "determine" and all that follows through "which" and inserting "determine which";

(II) by striking "; and" and inserting a period; and

(III) by striking clause (ii);

(iii) in subparagraph (C), by striking "Beginning" and all that follows through "of the State-specific" and inserting "The Secretary shall publish on an annual basis a notice in the Federal Register requiring State agencies to inform the Secretary of the State-specific"; and

(iv) by striking subparagraphs (D) through (F), and redesignating subparagraph (G) as subparagraph (D); and

(E) by adding at the end the following:

"(13) FAFSA PATHWAYS.—

"(A) MEMORANDUM OF UNDERSTANDING.—Not later than the effective date of the College Affordability Act, the Secretary shall seek to enter into a Memorandum of Understanding with the Secretary of Health and Human Services, the Secretary of Agriculture, and the Secretary of the Treasury, under which any information exchanged under an income and eligibility verification system established pursuant to section 1137 of the Social Security Act by State agencies administering a program listed in paragraph (1), (4), or (5) of subsection (b) of such section which may be of use in establishing or verifying eligibility or benefit amounts under such program shall be made available to the Secretary of Education to assist in determining whether the applicant (or, in the case of a dependent applicant, whether the applicant or the applicant's parents) received a benefit at some time during the previous 24-month period under a means-tested Federal benefit program, but subject to the requirements of Federal law.

"(B) REQUIREMENT FOR ALL APPLICANTS AND THE SECRETARY.—For any award year for which an applicant applies for financial assistance under this title (except for any award year for which, pursuant to paragraph (14), the applicant is not required to submit a FAFSA)—

"(i) the applicant shall provide on the form described in this subsection whether the applicant received (or, in the case of a dependent applicant, whether the applicant or the parents of the applicant received) a benefit at some time during the previous 24-month period under a means-tested Federal benefit program; and

"(ii) the Secretary, to the extent practicable and pursuant to the Memorandum of Understanding entered into under subparagraph (A), and without any further action by the applicant, shall verify the applicant's (or, in the case of a dependent applicant, the applicant's or the applicant's parents') receipt of such benefit.

"(C) PATHWAY ONE APPLICANTS.—

"(i) IN GENERAL.—With respect to an applicant who received (or, in the case of a dependent applicant, an applicant who received or whose parents received) a benefit at some time during the previous 24-month period under a means-tested Federal benefit program, the applicant shall not be required to provide any further income or asset information on the form under this subsection.

"(ii) DESIGNATION.—For purposes of this section and part F, an applicant described in clause (i) shall be referred to as a 'pathway one applicant'.

"(D) PATHWAY TWO APPLICANTS.—

"(i) IN GENERAL.—With respect to an applicant who is not a pathway one applicant and who is described in clause (ii), the Secretary, to the extent practicable, shall use the data retrieval tool under section 484(p) to obtain any information for the applicant beyond the information described in subparagraph (A) for purposes of the form under this subsection.

"(ii) REQUIREMENTS.—An applicant described in this clause is an applicant who certifies that—

"(I) the applicant is not required to file or, in the case of a dependent applicant, no parent of the applicant is required to file—

"(aa) a Federal income tax return; or

"(bb) with respect to Internal Revenue Service Form 1040, any of the following forms: Schedule A, Schedule B, Schedule C, Schedule C–EZ, Schedule D, Schedule E, Schedule F, Schedule H, Schedule J, and Schedule SE; and

"(II) the sum of the adjusted gross income of the applicant or, in the case of a dependent applicant, the parents of the applicant, is less than or equal to $60,000.

"(iii) DESIGNATION.—For purposes of this section and part F, an applicant described in clause (i) shall be referred to as a 'pathway two applicant'.

"(E) PATHWAY THREE APPLICANTS.—

"(i) IN GENERAL.—With respect to an applicant who is not a pathway one applicant or a pathway two applicant, the Secretary, to the extent practicable, shall use the data retrieval tool under section 484(p) to obtain any information for the applicant beyond the information described in subparagraph (A) for purposes of the form under this subsection.

"(ii) DESIGNATION.—For purposes of this section and part F, an applicant described in clause (i) shall be referred to as a 'pathway three applicant'.

"(F) MEANS-TESTED FEDERAL BENEFIT PROGRAM DEFINED.—For purposes of this paragraph, the term 'means-tested Federal benefit program' has the meaning given the term in section 479(d).

"(14) ONE-TIME FAFSA FILING.—

"(A) IN GENERAL.—Notwithstanding any other provision of this section and subject to subparagraphs (B) and (C), an applicant who submits a FAFSA for the first time for an award year for the period required for the completion of the first undergraduate baccalaureate course of study being pursued by such applicant and is eligible to receive a Federal Pell Grant for such award year, for any succeeding award year—

"(i) for which the applicant does not submit a FAFSA and for which the applicant submits a certification form described in subparagraph (D) that does not indicate a change in the dependency status of such applicant, such applicant—

"(I) shall not be required to submit a FAFSA to receive financial assistance under this title; and

"(II) shall have an expected family contribution for such year that is equal to the expected family contribution of the applicant determined for the award year for which the applicant submitted a FAFSA for such period, except that an adjustment may be made under section 479A that results in a change in such expected family contribution;

"(ii) for which the applicant submits a certification form described in subparagraph (D) that indicates a change in the dependency status of the applicant, such applicant—

"(I) shall be required to submit a FAFSA with respect to such award year to receive financial assistance under this title; and

"(II) shall have an expected family contribution for such year that is determined based on such FAFSA;

"(iii) for which the applicant submits a FAFSA, such applicant—

"(I) shall have an expected family contribution for such year that is determined based on such FAFSA; and

"(II) shall be required to submit a FAFSA for any other award year for which the applicant seeks financial assistance under this title; and

"(iv) for which the applicant does not submit a certification form described in subparagraph (D), such applicant shall submit a FAFSA for such succeeding award year and any other award year for which the applicant seeks financial assistance under this title.

"(B) ADJUSTMENT OF EXPECTED FAMILY CONTRIBUTION.—With respect to an applicant described in subparagraph (A)(i) who receives an adjustment under section 479A that results in a change to the expected family contribution of the applicant, for any succeeding award year after the award year for which the adjustment was made, subclause (II) of such subparagraph shall be applied to such applicant by substituting 'expected family contribution of the applicant as most recently changed as a result of an adjustment under section 479A for such applicant' for the 'expected family contribution of the applicant determined for the award year for which the applicant submitted a FAFSA for such period'.

"(C) RULE FOR CERTAIN STUDENTS.—With respect to an applicant who submits a FAFSA for award year 2021–2022 and enrolls in an institution of higher education for such year, subparagraph (A) shall be applied—

"(i) in the matter preceding clause (i), by substituting 'award year 2021–2022' for 'the first time for an award year'; and

"(ii) in clause (i)(II), by substituting 'award year 2021–2022' for 'the award year for which the applicant submitted a FAFSA for such period'.

"(D) STUDENT CERTIFICATION FORM.—The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall use behavioral science insights to produce, distribute, and process free of charge a short and simple consumer-tested certification form that uses skip logic to bypass fields that are inapplicable to an applicant. Such form shall not require an applicant to provide data that the Secretary may otherwise obtain with respect to the applicant (such as age or active duty military status), and may only contain the data elements required for purposes of subparagraph (A)(i)—

"(i) to confirm whether the applicant is—

"(I) a dependent student;

"(II) a single independent student or a married independent student without dependents (other than a spouse); or

"(III) an independent student with dependents other than a spouse;

"(ii) to allow the applicant to update the contact information of such applicant or the Federal School Code of the institution of higher education in which the applicant is, or will be enrolled, for the award year for which the applicant submits such form; and

"(iii) to ask whether the applicant's need and eligibility for financial assistance under this title has not changed substantially since the most recent of the following:

"(I) The applicant submitted a FAFSA.

"(II) The applicant received an adjustment under section 479A that results in a change to the expected family contribution of the applicant.

"(E) DEFINITIONS.—In this paragraph:

"(i) DEPENDENCY STATUS.—The term 'dependency status' means the status of an applicant as—

"(I) a dependent student;

"(II) a single independent student or a married independent student without dependents (other than a spouse); or

"(III) an independent student with dependents other than a spouse.

"(ii) SUCCEEDING AWARD YEAR.—The term 'succeeding award year'—

"(I) when used with respect to an applicant who submits a FAFSA for the first time for an award year for the period required for the completion of the first undergraduate baccalaureate course of study being pursued by such applicant, means any award year for such period that follows the award year for which the applicant submits such FAFSA; and

"(II) when used with respect to an applicant described in subparagraph (C), means any award year after award year 2021–2022 for the period required for the completion of the first undergraduate baccalaureate course of study being pursued by such applicant.

"(15) FAFSA IN VARIOUS LANGUAGES.—The Secretary shall—

"(A) translate the form developed under this subsection into not fewer than 11 foreign languages based on the languages most often spoken by English learner students and their parents, and make the translated form available and accessible to applicants in paper and electronic formats; and

"(B) ensure that the form developed under this subsection is available in formats accessible to individuals with disabilities.";

(2) in subsection (c), by striking the last sentence;

(3) in subsection (d)(3)—

(A) in subparagraph (A), by striking "and EZ FAFSA"; and

(B) in subparagraph (B), by striking "and EZ FAFSA";

(4) in subsection (e)—

(A) in paragraph (3) by striking "or, as appropriate, an EZ FAFSA,"; and

(B) in paragraph (5)(D), by striking "or, as appropriate, an EZ FAFSA,";

(5) by amending subsection (f) to read as follows:

"(f) USE OF INTERNAL REVENUE SERVICE DATA RETRIEVAL TOOL TO POPULATE FAFSA.—

"(1) SIMPLIFICATION EFFORTS.—The Secretary shall—

"(A) make every effort to allow applicants to utilize the data retrieval tool to transfer data available from the Internal Revenue Service to reduce the amount of original data entry by applicants and strengthen the reliability of data used to calculate expected family contributions, including through the use of technology to—

"(i) allow an applicant to automatically populate the electronic version of the forms under this paragraph with data available from the Internal Revenue Service; and

"(ii) direct an applicant to appropriate questions on such forms based on the applicant's answers to previous questions; and

"(B) allow taxpayers, regardless of filing status, to utilize the data retrieval tool to its full capacity.

"(2) USE OF TAX RETURN IN APPLICATION PROCESS.—The Secretary shall continue to examine whether data provided by the Internal Revenue Service can be used to generate an expected family contribution without additional action on the part of the student and taxpayer.

"(3) REPORTS ON FAFSA SIMPLIFICATION EFFORTS.—Not less than once every other year, the Secretary shall report to the authorizing committees and the Committees on Appropriations of the House of Representatives and the Senate on the progress of the simplification efforts under this subsection.";

(6) by repealing subsection (g);

(7) by redesignating subsection (h) as subsection (g); and

(8) by adding at the end the following:

"(h) DATA TRANSPARENCY ON THE NUMBER OF APPLICANTS.—

"(1) IN GENERAL.—The Secretary shall annually publish data on the number of individuals who apply for Federal student aid pursuant to this section who are homeless individuals described in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a), including unaccompanied youth and foster care youth.

"(2) CONTENTS.—The data described in paragraph (1) with respect to homeless individuals shall include, at a minimum, for each application cycle—

"(A) the total number of all applicants who were determined to be (or to be at risk of becoming) unaccompanied homeless youth under section 480(d)(1)(H);

"(B) the number of applicants described in subparagraph (A), disaggregated—

"(i) by State; and

"(ii) by the sources of determination as described in clauses (i) through (iv) of section 480(d)(1)(H); and

"(C) the number of undetermined requests for homelessness consideration, including statuses that remain unknown because no determination had been made in response to the applicant's request for the institution to consider the applicant's special circumstance of being homeless.

"(i) PROHIBITION ON QUESTIONS RELATING TO DRUG OFFENSES.—The Secretary may not include on the forms developed under this subsection any data items relating to whether an applicant has a conviction of any offense under any Federal or

State law involving the possession or sale of a controlled substance (as defined in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

"(j) FAFSA VERIFICATION.—

"(1) IN GENERAL.—With respect to applicants who submit a FAFSA for an award year and were determined using data provided in such FAFSA to be eligible to receive a Federal Pell Grant for such award year, the Secretary shall submit to the authorizing committees, and make publicly available, a report for such award year on—

"(A) the number and share of such applicants who received a Federal Pell Grant for such award year;

"(B) the number and share of such applicants who did not receive a Federal Pell Grant for such year;

"(C) the number and share of such applicants who were selected by the Secretary for verification of the data provided in the FAFSA;

"(D) to the extent practicable, the number and share of applicants described in subparagraph (C) who enrolled in an institution of higher education in a year after such selection;

"(E) the number and share of applicants described in subparagraph (C) who completed the verification process;

"(F) of the applicants described in subparagraph (E)—

"(i) the average of the expected family contribution for all such applicants as determined using data provided in the FAFSA;

"(ii) the average of the expected family contribution difference for all such applicants;

"(iii) the average of the expected family contribution difference for all such applicants whose expected family contribution as determined using data provided in the verification process was greater than the expected family contribution as determined using data provided in the FAFSA; and

"(iv) the average of the expected family contribution difference for all such applicants whose expected family contribution as determined using data provided in the FAFSA was greater than the expected family contribution as determined using data provided in the verification process;

"(G) of the applicants described in subparagraph (E)—

"(i) the average Federal Pell Grant amount for all such applicants as determined using data provided in the FAFSA;

"(ii) the average of the Federal Pell Grant difference for all such applicants;

"(iii) the average of the Federal Pell Grant difference for all such applicants whose Federal Pell Grant amount as determined using data provided in the verification process was greater than the Federal Pell Grant amount as determined using data provided in the FAFSA;

"(iv) the average of the Federal Pell Grant difference for all such applicants whose Federal Pell Grant amount as determined using data provided in the FAFSA was greater than the Federal Pell Grant amount as determined using data provided in the verification process; and

"(v) the number and share of such applicants who were determined using the data provided in the verification process to be ineligible for a Federal Pell Grant;

"(H) the number and share of applicants described in subparagraph (C) who received a Federal Pell Grant for such award year; and

"(I) the number and share of applicants described in subparagraph (C) who did not receive a Federal Pell Grant for such award year.

"(2) DISAGGREGATION.—The data provided in a report under paragraph (1) shall be disaggregated—

"(A) by applicants who were pathway one applicants for such year;

"(B) by applicants who were pathway two applicants for such year;

"(C) by applicants who were pathway three applicants for such year; and

"(D) with respect to applicants described in subparagraphs (C) and (E), the verification tracking groups of such applicants.

"(3) DEFINITIONS.—In this subsection:

"(A) EXPECTED FAMILY CONTRIBUTION DIFFERENCE.—The term 'expected family contribution difference' means, with respect to an applicant who completed a verification process with respect to the FAFSA, the difference between—

"(i) the expected family contribution of such applicant as determined using data provided in the FAFSA; and

"(ii) the expected family contribution of such applicant as determined using data provided in the verification process.

"(B) FEDERAL PELL GRANT DIFFERENCE.—The term 'Federal Pell Grant difference' means, with respect to an applicant who completed a verification process with respect to the FAFSA, the difference between—

"(i) the amount of the Federal Pell Grant of such applicant as determined using data provided in the FAFSA; and

"(ii) the amount of the Federal Pell Grant of such applicant as determined using data provided in the verification process.

"(k) FINANCIAL AID OFFERS.—

"(1) REQUIREMENTS FOR OFFERS.—

"(A) SECRETARIAL REQUIREMENTS.—Not later than 18 months after the date of enactment of the College Affordability Act, the Secretary shall, based on the consumer testing conducted under subparagraph (E), publish requirements for financial aid offers that shall—

"(i) include a requirement that financial aid offers shall serve as the primary source for Federal, State, and institutional financial aid information provided by an institution of higher education participating in any program under this title to each prospective student accepted for admission and each enrolled student at such institution;

"(ii) include a requirement that such offers include a standardized quick reference box described in subparagraph (D);

"(iii) establish standardized terms and definitions, including for the elements listed in subparagraph (C), that shall be included in each such offer;

"(iv) establish formatting requirements with respect to the organization of the elements listed in subparagraph (C)), which shall include a requirement that prohibits such offers from displaying loans in a manner that indicates or implies that such loans reduce the amount owed to the institution or reduce the net price; and

"(v) specify the simple, plain-language, and consumer-friendly information to be included in each such offer with respect to the financial aid being offered to a student, which shall include—

"(I) an explanation of differences among each such type of financial aid, including clear explanations that—

"(aa) grants and scholarships do not have to be repaid;

"(bb) loans (including loans made under part D and private education loans (as defined in section 140 of the Truth in Lending Act)) must be repaid with interest; and

"(cc) payments under Federal-work study programs under part C are contingent on finding qualified employment and are typically disbursed incrementally in paychecks;

"(II) information encouraging students to consider loans made under part D before such private education loans;

"(III) information clarifying that students may—

"(aa) decline to accept a loan made under part D; or

"(bb) accept an amount of such loan that is less than the amount of such loan included in the financial aid offer; and

"(IV) in a case in which the institution offers a student such a loan in an amount that is less than the maximum amount for which the student is eligible, an explanation that the student is eligible for additional loans under part D.

"(B) INSTITUTIONAL REQUIREMENTS.—Beginning with the award year that begins not less than 1 year after the Secretary publishes requirements under subparagraph (A), each institution of higher education described in subparagraph (A)(i) shall provide a financial aid offer to each student described in such subparagraph prior to each academic year that—

"(i) shall comply with the requirements published by the Secretary under subparagraph (A); and

"(ii) may be supplemented by the institution with additional, non-contradictory information related to financial aid as long as such supplementary information uses the standardized terms and definitions described in subparagraph (A)(iii).

"(C) ELEMENTS.—A financial aid offer provided by an institution of higher education shall include the following elements with respect to the academic year for which the offer is being provided:

"(i) The cost of attendance, which shall include separately calculated subtotals of—

"(I) an itemized list of estimated direct costs owed to the institution; and

"(II) an itemized list of anticipated student expenses not covered under subclause (I).

"(ii) Federal, State, and institutional financial aid available to the student, which shall include separately calculated subtotals of—

"(I) grants and scholarships;

"(II) loans made under part D (excluding Federal Direct Parent PLUS Loans) and part E; and

"(III) Federal-work study programs under part C and other on-campus employment.

"(iii) Other options that may be available to students to cover the cost of attendance (including Federal Direct Parent PLUS Loans, tuition payment plans, savings, and earnings from other employment).

"(iv) The net price, which shall be determined by calculating the difference between—

"(I) the cost of attendance described in clause (i); and

"(II) the grants and scholarships described in clause (ii)(I).

"(v) Next step instructions, including—

"(I) the process and deadlines for accepting the financial aid; and

"(II) information about where to find additional information on the financial aid offered.

"(vi) Any other information determined necessary by the Secretary based on the consumer testing conducted under subparagraph (E), which may include the following:

"(I) An estimate of the net direct cost, which shall be determined by calculating the difference between—

"(aa) the direct costs owed to the institution described in clause (i)(I); and

"(bb) the grants and scholarships described in clause (ii)(I).

"(II) Information on average student debt, loan repayment and default rates, loan repayment options, and graduation rates.

"(III) In the case of a prospective student, the process and deadlines for enrolling at the institution.

"(IV) Information regarding the enrollment period covered by the aid offer, and whether the cost and aid estimates are based on full-time or part-time enrollment.

"(D) STANDARDIZED QUICK REFERENCE BOX.—A financial aid offer provided by an institution of higher education shall include a standardized quick reference box to enable students to quickly and easily compare key information on college costs and financial aid—

"(i) that shall be included in an identical fashion for each student receiving a financial aid offer from the institution on the first page of such offer;

"(ii) the contents and structure of which shall be developed through consumer testing conducted under paragraph (E); and

"(iii) that shall include not more than 8 elements, which, at a minimum, shall include—

"(I) the cost of attendance;

"(II) grants and scholarships; and

"(III) net price (as calculated under subparagraph (C)(iv)).

"(E) CONSUMER TESTING.—The Secretary shall—

"(i) conduct consumer testing that shall serve as the basis in determining the requirements for financial aid offers published under subparagraph (A), which shall include students (including low-income students, English learners, first generation college students, veteran students, graduate students, and undergraduate students (including prospective students and returning students)), students' families (including low-income families, families of English learners, and families with first generation college students), institutions of higher education (including representatives from two- and four-year institutions, public and private institutions, and minority-serving institutions), secondary school and postsecondary counselors, financial aid administrators, nonprofit college access organizations, and nonprofit consumer groups; and

"(ii) not later than 60 days after the publication of the requirements under subparagraph (A)—

"(I) issue a report on the findings of the consumer testing under this subparagraph; and

"(II) specify ways in which the findings are reflected in such requirements.

"(2) DEFINITIONS.—In this subsection—

"(A) the term 'English learner' has the meaning given the term in section 8101(20) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(20)), except that such term does not include individuals described in subparagraph (B) of such section;

"(B) the term 'first generation college student' has the meaning given the term in section 402A(h));

"(C) the term 'low-income student' has the meaning given the term in section 419N(b)(7); and

"(D) the term 'minority-serving institution' means an institution of higher education described in section 371(a).".

SEC. 4604. STUDENT ELIGIBILITY.

(a) IN GENERAL.—Section 484(a) of the Higher Education Act of 1965 (20 U.S.C. 1091(a)) is amended to read as follows:

"(a) IN GENERAL.—

"(1) GRANTS; LOANS; WORK ASSISTANCE.—In order to receive any grant, loan, or work assistance under this title, a student must—

"(A) be enrolled or accepted for enrollment in a degree, certificate, or other program (including a program of study abroad approved for credit by the eligible institution at which such student is enrolled) leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487, except as provided in subsections (b)(3) and (b)(4), and not be enrolled in an elementary or secondary school;

"(B) if the student is presently enrolled at an institution, be maintaining satisfactory progress in the course of study the student is pursuing in accordance with the provisions of subsection (c);

"(C) not owe a refund on grants previously received at any institution under this title, or be in default on any loan from a student loan fund at any institution provided for in part E, or a loan made, insured, or guaranteed by the Secretary under this title for attendance at any institution;

"(D) file with the Secretary, as part of the original financial aid application process, a certification, which need not be notarized, but which shall include—

"(i) a statement of educational purpose stating that the money attributable to such grant, loan, or loan guarantee will be used solely for expenses related to attendance or continued attendance at such institution; and

"(ii) such student's social security number; and

"(E) if the student has been convicted of, or has pled nolo contendere or guilty to, a crime involving fraud in obtaining funds under this title, have completed the repayment of such funds to the Secretary, or to the holder in the case of a loan under this title obtained by fraud.

"(2) GRANTS; LOANS; WORK ASSISTANCE; SERVICES.—

"(A) IN GENERAL.—In order to receive any grant, loan, or work assistance under this title, or any service provided pursuant to a program or project funded under this title, a student must—

"(i) be a citizen, national, or permanent resident of the United States;

"(ii) be able to provide evidence from the Department of Homeland Security that he or she is in the United States for other than a temporary purpose with the intention of becoming a citizen or permanent resident;

"(iii) have temporary protected status under section 244 of the Immigration and Nationality Act (8 U.S.C. 1254a); or

"(iv) be a Dreamer student, as defined in subsection (q).

"(B) EXCEPTIONS.—Subparagraph (A) shall not be construed to affect eligibility for participation in projects funded under chapter 2 of subpart 2 of part A or section 418A(b).".

(b) ABILITY TO BENEFIT.—Section 484(d)(1) of the Higher Education Act of 1965 (20 U.S.C. 1091(d)(1)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following:

"(B) The student—

"(i) is enrolled at an institution of higher education (as defined in section 101) in a program described in subsection (a)(3) of such section that—

"(I) prepares an individual to be successful in any of a full range of secondary and postsecondary education options;

"(II) includes counseling to support an individual in achieving the individual's education and career goals;

"(III) enables an individual to attain a secondary school diploma or its recognized equivalent; and

"(IV) helps an individual enter or advance within a specific occupation or occupational cluster, or to enter and succeed in a graduate program; and

"(ii) is determined by such institution as having the ability to benefit from the education or training offered by the institution of higher education upon satisfactory completion of 6 credit hours or the equivalent coursework that are applicable toward a degree offered by the institution of higher education.".

(c) EXCEPTION TO REQUIRED REGISTRATION WITH SELECTIVE SERVICE SYSTEM.—Section 484 of the Higher Education Act of 1965 (20 U.S.C. 1091) is further amended—

(1) by repealing subsection (n); and

(2) by redesignating subsections (o) through (q) as subsections (n) through (p), respectively.

(d) DEFINITION OF DREAMER STUDENT.—Section 484 of the Higher Education Act of 1965 (20 U.S.C. 1091), as amended by this section, is further amended by adding after subsection (p), as redesignated, the following:

"(q) DREAMER STUDENT.—

"(1) IN GENERAL.—In this section, the term 'Dreamer student' means an alien (as defined in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3))) who is inadmissible to the United States or deportable from the United States under the immigration laws (as defined in section 101(a)(17) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(17))) and who—

"(A)(i) was younger than 16 years of age on the date on which the alien initially entered the United States; and

"(ii)(I) has earned a high school diploma, the recognized equivalent of such diploma from a secondary school, or a high school equivalency diploma in the United States, or is scheduled to complete the requirements for such a diploma or equivalent before the next academic year begins;

"(II) is enrolled in an institution of higher education pursuant to subsection (d); or

"(III) has served in the uniformed services, as defined in section 101 of title 10, United States Code, for not less than 4 years and, if discharged, received an honorable discharge; or

"(B) would have been eligible, if the memorandum were fully in effect since the date issued, for a grant of deferred action pursuant to the directive in the November 20, 2014, memorandum from the Secretary of Homeland Security entitled 'Exercising Prosecutorial Discretion with Respect to Individuals Who Came to the United States as Children and with Respect to Certain Individuals Who Are the Parents of U.S. Citizens or Permanent Residents' to establish a process for exercising prosecutorial discretion through the use of deferred action for individuals who, among other qualifications, had a son or daughter who was a United States citizen or lawful permanent resident on such date.

"(2) HARDSHIP EXCEPTION.—The Secretary shall issue regulations that direct when the Department shall waive the age requirement of paragraph (1)(A)(i) for an individual to qualify as a Dreamer student under paragraph (1), if the individual demonstrates, through documentation presented to the Secretary of substantial economic or personal hardship, that deprivation of the requested benefit under this title would represent a substantial hardship.".

(e) REPEAL OF SUSPENSION OF FINANCIAL AID ELIGIBILITY FOR DRUG-RELATED OFFENSES.—Subsection (r) of section 484 of the Higher Education Act of 1965 (20 U.S.C. 1091(r)) is repealed.

(f) CONFORMING AMENDMENTS.—The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended—

(1) in section 102(a)(2)(A)(i)(I)(aa), by striking "484(a)(5)" and inserting "484(a)(2)";

(2) in section 419N(b)(7)(B)(ii), by striking "484(a)(5)" and inserting "484(a)(2)";

(3) in section 484(c), by striking "subsection (a)(2)" each place it appears and inserting "subsection (a)(1)(B)";

(4) in section 484(g)—

(A) by striking "subsection (a)(5)" and inserting "subsection (a)(2)"; and

(B) by striking "Immigration and Naturalization Service" each place it appears in paragraph (4)(B)(i) and inserting "Department of Homeland Security";

(5) in section 484(h), by striking "Immigration and Naturalization Service" each place it appears and inserting "Department of Homeland Security";

(6) in section 484(o), as so redesignated, by striking "subsection (a)(4)" and inserting "subsection (a)(1)(D)"; and

(7) in section 485(a)(1)(K), by striking "484(a)(2)" and inserting "484(a)(1)(B)".

SEC. 4605. REASONABLE COLLECTION COSTS ON DEFAULTED LOANS.

Section 484A(b)(1) of the Higher Education Act of 1965 (20 U.S.C. 1091a(b)(1)) is amended by striking "collection costs;" and inserting "collection costs that—

"(A) for purposes of the first collection efforts, do not exceed 5 percent of the outstanding principal and interest on such loan;

"(B) for purposes of the second collection efforts, do not exceed 10 percent of the outstanding balance of principal and interest on such loan;

"(C) for purposes of the third collection efforts, do not exceed 15 percent of the outstanding balance of principal and interest on such loan; and

"(D) for purposes of the fourth collection efforts and any succeeding collection efforts, do not exceed 20 percent of the outstanding balance of principal and interest on such loan;".

SEC. 4606. STUDENT ELIGIBILITY INFORMATION FOR NUTRITION ASSISTANCE PROGRAMS.

(a) INFORMATION DISSEMINATION ACTIVITIES.—Section 485(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1092(a)(1)) is amended—

(1) in subparagraph (U), by striking the "and" at the end;

(2) in subparagraph (V), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(W) the most recent relevant student eligibility guidance with respect to the nutrition assistance programs established under—

"(i) the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); and

"(ii) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

"(X) the contact information for the State agencies responsible for administration of the programs specified in clauses (i) and (ii) of subparagraph (W); and

"(Y) the food pantries and other food assistance facilities and services available to students enrolled in such institution.".

(b) COLLEGE NAVIGATOR WEBSITE.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Education shall make available and annually update on the College Navigator Website the most recent relevant student eligibility guidance with respect to the nutrition assistance programs established under—

(1) the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); and

(2) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

SEC. 4607. EXIT COUNSELING.

(a) AMENDMENTS TO EXIT COUNSELING FOR BORROWERS.—Section 485(b) of the Higher Education Act of 1965 (20 U.S.C. 1092(b)) is amended—

(1) in paragraph (1)(A)—

(A) in the matter preceding clause (i), striking "through financial aid offices or otherwise" and inserting "through the use of an interactive program, during an exit counseling session that is in-person or online, or through the use of the online counseling tool described in subsection (n)(1)(A)";

(B) by redesignating clauses (i) through (ix) as clauses (iv) through (xii), respectively;

(C) by inserting before clause (iv), as so redesignated, the following:

"(i) a summary of the outstanding balance of principal and interest due on the loans made to the borrower under part B, D, or E;

"(ii) an explanation of the grace period preceding repayment and the expected date that the borrower will enter repayment;

"(iii) an explanation that the borrower has the option to pay any interest that has accrued while the borrower was in school or that may accrue during the

grace period preceding repayment or during an authorized period of deferment, prior to the capitalization of the interest;";

(D) in clause (iv), as so redesignated—

(i) by striking "sample information showing the average" and inserting "information, based on the borrower's outstanding balance described in clause (i), showing the borrower's"; and

(ii) by striking "of each plan" and inserting "of at least the fixed repayment plan described in section 493E, the income-based repayment plan under section 493C(f), and any other repayment plan for which each loan may be eligible";

(E) in clause (ix), as so redesignated—

(i) by inserting "decreased credit score," after "credit reports,"; and

(ii) by inserting "reduced ability to rent or purchase a home or car, potential difficulty in securing employment," after "Federal law,";

(F) in clause (x), as so redesignated, by striking "consolidation loan under section 428C or a";

(G) in clauses (xi) and (xii), as so redesignated, by striking "and" at the end; and

(H) by adding at the end the following:

"(xiii) for each of the borrower's loans made under part B, D, or E for which the borrower is receiving counseling under this subsection, the contact information for the loan servicer of the loan and a link to such servicer's website;

"(xiv) an explanation that an individual has a right to annually request a disclosure of information collected by a consumer reporting agency pursuant to section 612(a) of the Fair Credit Reporting Act (15 U.S.C. 1681j(a)); and

"(xv) an explanation that—

"(I) the borrower may be contacted during the repayment period by third-party student debt relief companies;

"(II) the borrower should use caution when dealing with those companies; and

"(III) the services that those companies typically provide are already offered to borrowers free of charge through the Department or the borrower's servicer.";

(2) in paragraph (1)(B)—

(A) by inserting "online or" before "in writing"; and

(B) by adding before the period at the end the following: ", except that in the case of an institution using the online counseling tool described in subsection (n)(1)(A), the Secretary shall attempt to provide such information to the student in the manner described in subsection (n)(3)(C)"; and

(3) in paragraph (2)(C), by inserting ", such as the online counseling tool described in subsection (n)(1)(A)," after "electronic means".

(b) CONFORMING AMENDMENT.—Section 485(d)(1) of the Higher Education Act of 1965 (20 U.S.C. 1092(d)(1)) is amended by striking "including income-sensitive" and all that follows through "part D" and inserting "including, beginning on July 1, 2021, the income-based repayment plan under section 493C(f) and the fixed repayment plan described in section 493E".

SEC. 4608. CLERY ACT AMENDMENTS.

(a) DISCLOSURE OF CAMPUS SECURITY POLICY AND CAMPUS CRIME STATISTICS.—Section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092(f)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by inserting "(including on a prominent location on the institution's website)" after "publish";

(B) in subparagraph (E), strike "crimes." and insert "crimes, including a statement of current campus policies regarding required background checks for employees and volunteers working with student athletes, children, or youth participating in university-sponsored programs held in campus facilities."; and

(C) in subparagraph (F)—

(i) in clause (i), by striking "and" at the end;

(ii) in clause (ii), by striking "and" at the end;

(iii) in clause (iii), by striking the period at the end and inserting ";"; and

(iv) by adding at the end the following:

"(iv) of harassment incidents that were reported to campus security authorities or local police agencies; and

"(v) of hazing incidents that were reported to campus security authorities or local police agencies."; and

(D) by adding at the end the following:

"(K)(i) Each finding by the institution that, during the most recent calendar year, and during the 2 preceding calendar years for which data are available, a student organization committed a violation of the institution's standards of conduct relating to hazing, which—

"(I) shall include—

"(aa) the name of the student organization that committed the violation;

"(bb) a general description of the activities that led to the violation, the charges, such findings by the institution, and the sanctions placed on the organization; and

"(cc) the dates on which—

"(AA) the violation was alleged to have occurred;

"(BB) the student organization was charged with misconduct;

"(CC) the investigation was initiated; and

"(DD) the investigation ended with a finding that a violation occurred; and

"(II) may not include—

"(aa) any information related to allegations or investigations of hazing that do not result in a formal finding of a violation of the standards of conduct of the institution; or

"(bb) any personally identifiable information on any individual student or member of a student organization.

"(ii) The anti-hazing policies (including the standards of conduct with respect to hazing) of the institution, and the changes, if any, that have been made in the preceding calendar year with respect to such policies, and the justification for such changes.

"(iii) In the case of an allegation that a multi-institution student organization was involved in a hazing incident, each institution at which the students involved in such allegation are enrolled (or were formerly enrolled), including any student who was a victim in the alleged incident, shall comply with the requirements of this subparagraph.";

(2) in paragraph (6)(A), by adding at the end the following:

"(vi) For purposes of reporting under this section, the term 'harassment'—

"(I) means unwelcome conduct, of a hostile, intimidating, or offensive nature, based on a student's actual or perceived race, color, religion, sex (including sexual orientation, gender identity, pregnancy, childbirth, a medical condition related to pregnancy or childbirth, and sex stereotype), disability, or national origin, that unreasonably interferes with a student's ability to participate in a program or activity at an institution of higher education, including by creating an intimidating, hostile, or offensive environment;

"(II) is not limited to physical acts, and includes conduct that is verbal or nonverbal, direct or indirect, undertaken in whole or in part through the use of electronic messaging services, commercial mobile services, electronic communications, or other technology, or the placement or display of hostile or offensive images or objects based on a protected trait; and

"(III) includes sexual harassment, which is unwelcome conduct of a sexual nature, including—

"(aa) a sexual advance;

"(bb) a request for sexual favors;

"(cc) a sexual act, where such submission is made either explicitly or implicitly a term or condition of a program or activity at an institution of higher education, regardless of a student's submission to or rejection of such sexual act;

"(dd) a sexual act, where such submission or rejection is used as the basis for a decision affecting a term or condition of a program or activity at an institution of higher education, regardless of a student's submission to or rejection of such sexual act; or

"(ee) other conduct of a sexual nature.

"(vii) The term 'hazing' means any intentional, knowing, or reckless act committed by a student, or a former student, of an institution of higher education, whether individually or in concert with other persons, against another student, that—

"(I) was committed in connection with an initiation into, an affiliation with, or the maintenance of membership in, any student organization; and

"(II) causes, or contributes to a substantial risk of, physical injury, mental harm, or personal degradation.

"(viii) The term 'commercial mobile service' has the meaning given the term in section 332(d) of the Communications Act of 1934 (47 U.S.C. 332(d)).

"(ix) The term 'electronic communication' means any transfer of signs, signals, writing, images, sounds, or data of any nature transmitted in whole or in part by a wire, radio, electromagnetic, photoelectronic, or photooptical system.

"(x) The term 'electronic messaging services' has the meaning given the term in section 102 of the Communications Assistance for Law Enforcement Act (47 U.S.C. 1001).

"(xi) The term 'multi-institution student organization' means a student organization that includes students from more than one institution of higher education, including city-wide, regional, State, and national chapters of student organizations.

"(xii) The term 'student organization' means an organization that is officially recognized by or otherwise affiliated with an institution of higher education and that has a membership that is made up primarily of students enrolled at such institution.";

(3) in paragraph (7), by inserting after the second sentence the following: "For harassment incidents, such statistics shall be compiled in accordance with the definition of that term in paragraph (6)(A)(vi). For hazing incidents, such statistics shall be compiled in accordance with the definition of that term in paragraph (6)(A)(vii)."; and

(4) in paragraph (8)—

(A) by adding "sexual harassment," after "sexual assault," each place it appears;

(B) in subparagraph (B) in subclause (iv)(I)(bb) by striking "an investigation" and inserting "a trauma-informed investigation"; and

(C) by adding at the end the following:

"(viii) Written notification of victims about institutional policies regarding the reimbursement of lost tuition and costs associated with student loan interest accrual related to domestic violence, dating violence, sexual assault, sexual harassment, or stalking incidents.".

(b) STATEMENT OF POLICY REGARDING HARASSMENT.—Section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092(f)) is further amended—

(1) by redesignating paragraphs (9) through (18) as paragraphs (10) through (19), respectively; and

(2) by inserting after paragraph (8) the following:

"(9)(A) Each institution of higher education participating in any program under this title, other than a foreign institution of higher education, shall, as part of the report described in paragraph (1)—

"(i) develop and distribute a statement of policy regarding harassment, which shall include—

"(I) a prohibition of harassment, including harassment of enrolled students by other students, faculty, and staff—

"(aa) on campus;

"(bb) in or on a noncampus building or property;

"(cc) on public property;

"(dd) in dormitories or other residential facilities for students on campus;

"(ee) through the use of electronic mail addresses issued by the institution of higher education;

"(ff) through the use of computers and communication networks, including any telecommunications service, owned, operated, or contracted for use by the institution of higher education or its agents; and

"(gg) during an activity sponsored by the institution of higher education or carried out with the use of resources provided by the institution of higher education;

"(II) a prohibition of such harassment that is carried out in whole or in part through the use of electronic messaging services, commercial mobile services, electronic communications, or other technology;

"(III) a description of the institution's programs to combat harassment, which shall be aimed at the prevention of harassment;

"(IV) a description of the procedures that a student should follow if an incident of harassment occurs; and

"(V) a description of the procedures that the institution will follow once an incident of harassment has been reported, including a statement of the standard of evidence that will be used during any institutional conduct proceeding arising from such a report; and

"(ii) provide, on a prominent location on the institution's website, a link to the webpage that contains the information required under paragraph (1)(K), including statement notifying the public—

"(I) of the availability of such information, including findings, sanctions, and the implementation of sanctions, except information protected under section 444 of the General Education Provisions Act (commonly known as the 'Family Education Rights and Privacy Act of 1974');

"(II) a description of how a member of the public may obtain such information; and

"(III) a statement that the institution is required to provide such information pursuant to paragraph (1)(K).

"(B) The statement of policy described in subparagraph (A)(i) shall address the following areas:

"(i) Procedures for timely institutional action in cases of alleged harassment, which shall include a clear statement that the accuser and the accused shall be informed of the outcome of any disciplinary proceedings in response to an allegation of harassment.

"(ii) Possible sanctions to be imposed following the final determination of an institutional disciplinary procedure regarding harassment.

"(iii) Notification of existing counseling, mental health, or student services for victims or perpetrators of harassment, both on campus and in the community.

"(iv) Identification of a designated employee or office at the institution that will be responsible for receiving and tracking each report of harassment.".

(c) CIVIL PENALTIES.—Section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092(f)) is further amended—

(1) in paragraph (14), as redesignated by subsection (b)—

(A) by striking "in the same amount and"; and

(B) by inserting before the period at the end the following: ", expect that such section shall be applied by substituting '$100,000' for '$60,000'"; and

(2) in paragraph (17), as redesignated by subsection (b), by adding "sexual harassment," after "sexual assault,".

SEC. 4609. ONLINE SURVEY TOOL FOR CAMPUS SAFETY.

Section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092) is further amended—

(1) by redesignating paragraphs (18) and (19) as so redesignated as paragraphs (19) and (20), respectively; and

(2) by inserting after paragraph (17) the following:

"(18) ONLINE SURVEY TOOL FOR CAMPUS SAFETY.—

"(A) IN GENERAL.—The Secretary shall, in consultation with the Attorney General, Director of the Centers for Disease Control, and the Secretary of the Department of Health and Human Services and experts in domestic violence, dating violence, sexual assault, sexual harassment, and stalking, develop, design, and make available through a secure and accessible online portal, a standardized online survey tool regarding student experiences with domestic violence, dating violence, sexual assault, sexual harassment, and stalking.

"(B) DEVELOPMENT OF SURVEY TOOL.—In developing the survey tool required under subparagraph (A), the Secretary shall—

"(i) use best practices from peer-reviewed research measuring domestic violence, dating violence, sexual assault, sexual harassment, and stalking;

"(ii) consult with the higher education community, experts in survey research related to domestic violence, dating violence, sexual assault, sexual harassment, and stalking, and organizations engaged in the prevention of and response to, and advocacy on behalf of victims of, domestic violence, dating violence, sexual assault, sexual harassment, and stalking regarding the development and design of such survey tool and the methodology for administration of such survey tool; and

"(iii) ensure that the survey tool is readily accessible to and usable by individuals with disabilities.

"(C) ELEMENTS.—

"(i) IN GENERAL.—The survey tool developed pursuant to this paragraph shall be fair and unbiased, scientifically valid and reliable, and meet the highest standards of survey research.

"(ii) SURVEY QUESTIONS.—Survey questions included in the survey tool developed pursuant to this paragraph shall—

"(I) be designed to gather information on student experiences with domestic violence, dating violence, sexual assault, sexual harassment, and stalking, including the experiences of victims of such incidents;

"(II) use trauma-informed language to prevent retraumatization; and

"(III) include the following:

"(aa) Questions designed to determine the incidence and prevalence of domestic violence, dating violence, sexual assault, sexual harassment, and stalking.

"(bb) Questions regarding whether students know about institutional policies and procedures related to domestic violence, dating violence, sexual assault, sexual harassment, and stalking.

"(cc) Questions designed to determine, if victims reported domestic violence, dating violence, sexual assault, sexual harassment, or stalking—

"(AA) to whom the incident was reported and what response the victim may have received;

"(BB) whether the victim was informed of, or referred to, national, State, local, or on-campus resources; and

"(CC) whether the entity to whom the victim reported the incident conducted an investigation and the duration and final resolution of such an investigation.

"(dd) Questions regarding contextual factors, such as whether force, incapacitation, or coercion was involved.

"(ee) Questions to determine whether an accused individual was a student at the institution.

"(ff) Questions to determine whether a victim reported an incident to State, local, or campus law enforcement.

"(gg) Questions to determine why the victim chose to report or not report an incident to the institution or State, local, or campus law enforcement.

"(hh) Questions to determine the impact of domestic violence, dating violence, sexual assault, sexual harassment, and stalking on the victim's education, including diminished grades, dropped classes, leaves of absence, and negative financial consequences (such as costs associated with loss in paid tuition due to leaves of absence, loss in scholarship awards due to diminished grades, and cost associated with counseling, medical services, or housing changes).

"(ii) Questions to determine the impact and effectiveness of prevention and awareness programs and complaints processes.

"(jj) Questions to determine attitudes toward sexual violence and harassment, including the willingness of individuals to intervene as a bystander of sex-based (including sexual orientation-based and gender identity-based), race-based, national origin-based, and disability-based discrimination, harassment, assault, domestic violence, dating violence, sexual assault, sexual harassment, and stalking.

"(kk) Other questions, as determined by the Secretary.

"(iii) ADDITIONAL ELEMENTS.—In addition to the standardized questions developed by the Secretary under clause (ii), an institution may request additional information from students that would increase the understanding of the institution of school climate factors unique to their campuses.

"(iv) RESPONSES.—The responses to the survey questions described in clause (ii) shall—

"(I) be submitted confidentially;

"(II) not be included in crime statistics; and

"(III) in the case of such responses being included in a report, shall not include personally identifiable information.

"(D) ADMINISTRATION OF SURVEY.—

"(i) FEDERAL ADMINISTRATION.—The Secretary, in consultation with the Attorney General, Director of the Centers for Disease Control, and Secretary of the Department of Health and Human Services, shall develop a mechanism by which institutions of higher education may, with respect to the survey tool developed pursuant to this paragraph—

"(I) administer such survey tool; and

"(II) modify such survey tool to include additional elements or requirements, as determined by the institution.

"(ii) COSTS.—The Secretary may not require an institution of higher education to pay to modify the survey tool in accordance with clause (ii)(II).

"(iii) ACCESSIBILITY.—The Secretary shall ensure that the survey tool is administered in such a way as to be readily accessible to and usable by individuals with disabilities.

"(iv) INSTITUTIONAL ADMINISTRATION.—Beginning not later than one year after the date on which the Secretary makes available to institutions the mechanism described in clause (i), and every 2 years thereafter, each institution shall administer the survey tool developed pursuant to this paragraph.

"(E) COMPLETED SURVEYS.—The Secretary shall require each institution participating in any program under this title to ensure, to the maximum extent practicable, that an adequate, random, and representative sample size of students (as determined by the Secretary) enrolled at the institution complete the survey tool developed pursuant to this paragraph.

"(F) REPORT.—Beginning not later than 2 years after the date of enactment of the College Affordability Act, the Secretary shall prepare a biennial report on the information gained from the standardized elements of the survey under this paragraph and publish such report in an accessible format on the website of the Department and submit such report to Congress. The report shall include campus-level data for each school and attributed by name of each campus in a manner that permits comparisons across schools and campuses.

"(G) PUBLICATION.—Each institution shall publish, in a manner that is readily accessible and usable by individuals, including individuals with disabilities—

"(i) the campus-level results of the standardized elements of the survey under this paragraph on the website of the institution and in the annual security report required under paragraph 1 for the campuses affiliated with the institution; and

"(ii) the campus-level results of the additional elements modifying the survey by the institution, if any, on the website of the institution.

"(H) VIOLATION.—Upon a determination pursuant to section 487(c)(3)(B) that an institution of higher education has violated or failed to carry out any provision under this subsection, the Secretary shall impose a civil penalty upon the institution in the same amount and pursuant to the same procedures as a civil penalty is imposed under section 487(c)(3)(B).".

SEC. 4610. TRANSFER OF CREDIT POLICIES.

Section 485(h)(1) of the Higher Education Act of 1965 (20 U.S.C. 1092(h)(1)) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by inserting "on the website of the institution and in at least one other relevant publication (such as a course catalogue)" after "publicly disclose"; and

(B) by inserting ", easy to find," after "readable"; and

(2) in subparagraph (B), by striking the period at the end and inserting the following: ", including a link to the website of each institution of higher education on such list and a link to or an explanation of the provisions of each such articulation agreement; and"; and

(3) by adding at the end the following:

"(C) a list of transfer-related resources and information not otherwise provided under subparagraphs (A) and (B) that the institution provides (such as deadlines, financial aid information, and relevant staff contact information).".

SEC. 4611. AMENDMENTS TO INSTITUTIONAL AND FINANCIAL ASSISTANCE.

(a) NOTICE TO STUDENTS CONCERNING DRUG VIOLATIONS.—Subsection (k) of section 485 (20 U.S.C. 1092) is repealed.

(b) LIAISON FOR HOMELESS INDIVIDUALS AND FOSTER CARE YOUTH.—Section 485 of the Higher Education Act of 1965 (20 U.S.C. 1092) is amended by inserting after subsection (j) the following:

"(k) Each institution of higher education participating in any program under this title shall—

"(1) have designated an appropriate staff person as a liaison to assist homeless individuals described in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a) and foster care youth in accessing and completing postsecondary education, including by ensuring that such homeless individuals and foster care youth are connected to applicable and available student

support services, programs, and community resources in areas such as financial aid, academic advising, housing, food, public benefits, health care, health insurance, mental health, child care, transportation benefits, and mentoring;

"(2) post public notice about student financial assistance and other assistance available to such homeless individuals and foster care youth, including their eligibility as independent students under subparagraphs (B) and (H) of sections 480(d)(1);

"(3) give priority for any institutionally owned or operated housing facilities, including student housing facilities that remain open for occupation during school breaks or on a year-round basis, to—

"(A) homeless individuals described in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);

"(B) youth who are unaccompanied, at risk of homelessness, and self-supporting; and

"(C) foster care youth;

"(4) have developed a plan for how such homeless individuals, youth who are unaccompanied, at risk of homelessness, and self-supporting, and foster care youth can access housing resources during and between academic terms, through means that may include access to institutionally owned or operated housing during breaks and a list of housing resources in the community that provide short-term housing; and

"(5) include, in its application for admission, questions (to be answered voluntarily) regarding the applicant's status as a homeless individual or foster care youth, that—

"(A) can be answered by the applicant voluntarily for the limited purpose of being provided information about financial aid or any other available assistance;

"(B) explain the key terms in the question in a manner children and youth can understand in order to self-identify and declare eligibility as a homeless individual or foster care youth; and

"(C) with consent of the applicant, may be shared with the liaison after admission but prior to the beginning of the next academic term.".

(c) ANNUAL FINANCIAL AID COUNSELING.—Section 485(l) of the Higher Education Act of 1965 (20 U.S.C. 1092(l)) is amended to read as follows:

"(l) ANNUAL FINANCIAL AID COUNSELING.—

"(1) ANNUAL DISCLOSURE REQUIRED.—

"(A) IN GENERAL.—Each eligible institution shall ensure that each individual who receives a loan made under part D (other than a Federal Direct Consolidation Loan or a loan made under section 460A and 460B) receives comprehensive information on the terms and conditions of such loan and the responsibilities the individual has with respect to such loan. Such information shall be provided, for each award year for which the individual receives such loan, in a simple and understandable manner—

"(i) during a counseling session conducted in person;

"(ii) online, with the individual acknowledging receipt of the information; or

"(iii) through the use of the online counseling tool described in subsection (n)(1)(B).

"(B) USE OF INTERACTIVE PROGRAMS.—In the case of institutions not using the online counseling tool described in subsection (n)(1)(B), the Secretary shall require such institutions to carry out the requirements of subparagraph (A) through the use of interactive programs, during an annual counseling session that is in-person or online, that tests the individual's understanding of the terms and conditions of the loan awarded to the individual, using simple and understandable language and clear formatting.

"(2) ALL INDIVIDUALS.—The information to be provided under paragraph (1)(A) to each individual receiving counseling under this subsection shall include the following:

"(A) An explanation of how the individual may budget for typical educational expenses and a sample budget based on the cost of attendance for the institution.

"(B) An explanation that an individual has a right to annually request a disclosure of information collected by a consumer reporting agency pursuant to section 612(a) of the Fair Credit Reporting Act (15 U.S.C. 1681j(a)).

"(C) An introduction to the financial management resources provided by the Consumer Financial Protection Bureau.

"(D) An explanation of how the student may seek additional financial assistance from the institution's financial aid office due to a change in the

student's financial circumstances, and the contact information for such office.

"(3) BORROWERS RECEIVING LOANS MADE UNDER PART D (OTHER THAN PARENT PLUS LOANS).—The information to be provided under paragraph (1)(A) to a borrower of a loan made under part D (other than a Federal Direct PLUS Loan made on behalf of a dependent student) shall include the following:

"(A) A notification that some students may qualify for other financial aid and an explanation that the borrower should consider accepting any grant, scholarship, or State or Federal work-study jobs for which the borrower is eligible prior to accepting student loans.

"(B) To the extent practicable, the effect of accepting the loan to be disbursed on the eligibility of the borrower for other forms of student financial assistance.

"(C) An explanation of the use of the student loan contract referred to in section 432(m)(1)(D).

"(D) An explanation that the borrower is not required to accept the full amount of the loan offered to the borrower.

"(E) An explanation of the approved educational expenses for which the borrower may use a loan made under part D.

"(F) A recommendation to the borrower to exhaust the borrower's Federal student loan options prior to taking out private education loans, an explanation that Federal student loans typically offer better terms and conditions than private education loans, an explanation that Federal student loans offer consumer protections typically not available in the private education loan market, an explanation of treatment of loans made under part D and private education loans in bankruptcy, and an explanation that if a borrower decides to take out a private education loan—

"(i) the borrower has the ability to select a private educational lender of the borrower's choice;

"(ii) the proposed private education loan may impact the borrower's potential eligibility for other financial assistance, including Federal financial assistance under this title; and

"(iii) the borrower has a right—

"(I) to accept the terms of the private education loan within 30 calendar days following the date on which the application for such loan is approved and the borrower receives the required disclosure documents, pursuant to section 128(e) of the Truth in Lending Act (15 U.S.C. 1638(e)); and

"(II) to cancel such loan within 3 business days of the date on which the loan is consummated, pursuant to section 128(e)(7) of such Act (15 U.S.C. 1638(e)(7)).

"(G) The interest rate for the loan, as of the date of the counseling.

"(H) Information on how interest accrues and is capitalized during periods when the interest is not paid by either the borrower or the Secretary.

"(I) In the case of a Federal Direct PLUS Loan or a Federal Direct Unsubsidized Stafford Loan, the option of the borrower to pay the interest while the borrower is in school.

"(J) The definition of half-time enrollment at the institution, during regular terms and summer school, if applicable, and the consequences of not maintaining at least half-time enrollment.

"(K) An explanation of the importance of contacting the appropriate offices at the institution of higher education if the borrower withdraws prior to completing the borrower's program of study so that the institution can provide exit counseling, including information regarding the borrower's repayment options and loan consolidation.

"(L) The obligation of the borrower to repay the full amount of the loan, regardless of whether the borrower completes or does not complete the program in which the borrower is enrolled within the regular time for program completion.

"(M) The likely consequences of default on the loan, including adverse credit reports, delinquent debt collection procedures under Federal law, and litigation.

"(N) Notice of the institution's most recent adjusted cohort default rate (calculated in accordance with section 435(m)(1)(D)), an explanation of the adjusted cohort default rate, the most recent national average adjusted cohort default rate, and the most recent national average adjusted cohort default rate for the category of institution described in section 435(m)(4) to which the institution belongs.

"(O) Information on the National Student Loan Data System and how the borrower can access the borrower's records.

"(P) The contact information for the institution's financial aid office or other appropriate office at the institution the borrower may contact if the borrower has any questions about the borrower's rights and responsibilities or the terms and conditions of the loan.

"(Q) For a first-time borrower, in addition to all the information described in subparagraphs (A) through (P)—

"(i) a statement of the anticipated balance on the loan for which the borrower is receiving counseling under this subsection;

"(ii) based on such anticipated balance, the anticipated monthly payment amount under, at minimum—

"(I) the fixed repayment plan described in section 493E; and

"(II) the income-based repayment plan under section 493C(f), as determined using regionally available data from the Bureau of Labor Statistics of the average starting salary for the occupation in which the borrower has an interest in or intends to be employed;

"(iii) an estimate of the projected monthly payment amount under each repayment plan described in clause (ii), based on the average cumulative indebtedness at graduation for borrowers of loans made under part D who are in the same program of study as the borrower and the expected increase in the cost of attendance of such program; and

"(iv) information on the annual and aggregate loan limits for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans as it pertains to the loan for which the borrower is receiving counseling, and a statement that such aggregate borrowing limit may change based on the borrower's student status (whether undergraduate or graduate) or if there is a change in the borrower's dependency status.

"(R) For a borrower with an outstanding balance of principal or interest due on a loan made under this title, in addition to all the information described in subparagraphs (A) through (P)—

"(i) information on each student loan that the institution is aware that the student has borrowed, including Federal loans, private loans, and loans from the institution;

"(ii) the total amount of the outstanding balance and interest accrued from the Federal student loans described in clause (i);

"(iii) for each Federal loan described in clause (i), the interest rate for the loan, as of the date of the counseling, and a statement that the interest rate on student loans may vary based on when the loan was borrowed and other factors;

"(iv) based on such outstanding balance for the Federal student loans, the anticipated monthly payment amount under the fixed repayment plan described in section 493E, the income-based repayment plan under section 493C(f), and any other repayment plan for which each loan may be eligible, calculated using regionally available data from the Bureau of Labor Statistics of the average starting salary for the occupation the borrower intends to be employed;

"(v) an estimate of the projected monthly payment amount under each repayment plan described in clause (iv), based on—

"(I) the outstanding balance described in clause (ii);

"(II) the anticipated outstanding balance on the loan for which the student is receiving counseling under this subsection; and

"(III) a projection for any other loans made under part D that the borrower is reasonably expected to accept during the borrower's program of study based on at least the average cumulative indebtedness at graduation for borrowers of loans made under part D who are in the same program of study as the borrower and the expected increase in the cost of attendance of such program;

"(vi) a statement that the outstanding balance described in clause (ii), the interest rate described in clause (iii), and the monthly amount described in clause (iv) and clause (v) does not include any amounts that the student may be required to repay for private or institutional loans; and

"(vii) the percentage of the total aggregate borrowing limit that the student has reached, as of the date of the counseling, for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans, and a statement that such aggregate borrowing limit may change based on

the borrower's student status (whether undergraduate or graduate) or if there is a change in the borrower's dependency status.

"(4) BORROWERS RECEIVING PARENT PLUS LOANS FOR DEPENDENT STUDENTS.—The information to be provided under paragraph (1)(A) to a borrower of a Federal Direct PLUS Loan made on behalf of a dependent student shall include the following:

"(A) A notification that some students may qualify for other financial aid and an explanation that the student for whom the borrower is taking out the loan should consider accepting any grant, scholarship, or State or Federal work-study jobs for which the borrower is eligible prior to borrowing Parent PLUS Loans.

"(B) The information described in subparagraphs (B) through (D) and (L) through (O) of paragraph (3).

"(C) The interest rate for the loan, as of the date of the counseling.

"(D) The option of the borrower to pay the interest on the loan while the loan is in deferment.

"(E) Debt management strategies that are designed to facilitate the repayment of such indebtedness.

"(F) An explanation that the borrower has the options to prepay each loan, pay each loan on a shorter schedule, and change repayment plans.

"(G) For each Federal Direct PLUS Loan made on behalf of a dependent student for which the borrower is receiving counseling under this subsection, the contact information for the loan servicer of the loan and a link to such servicer's website.

"(H) For a first-time borrower of such loan—

"(i) a statement of the anticipated balance on the loan for which the borrower is receiving counseling under this subsection;

"(ii) based on such anticipated balance, the anticipated monthly payment amount under the fixed repayment plan described in section 493E, the income-based repayment plan under section 493C(f), and any other repayment plan for which each loan may be eligible; and

"(iii) an estimate of the projected monthly payment amount under the fixed repayment plan described in section 493E, the income-based repayment plan under section 493C(f), and any other repayment plan for which each loan may be eligible, based on the average cumulative indebtedness of other borrowers of Federal Direct PLUS Loans made on behalf of dependent students who are in the same program of study as the student on whose behalf the borrower borrowed the loan and the expected increase in the cost of attendance of such program.

"(I) For a borrower with an outstanding balance of principal or interest due on such loan—

"(i) a statement of the amount of such outstanding balance;

"(ii) based on such outstanding balance, the anticipated monthly payment amount under the fixed repayment plan described in section 493E, the income-based repayment plan under section 493C(f), and any other repayment plan for which each loan may be eligible; and

"(iii) an estimate of the projected monthly payment amount under the fixed and income-based repayment plans, based on—

"(I) the anticipated outstanding balance on the loan for which the borrower is receiving counseling under this subsection; and

"(II) a projection for any other Federal Direct PLUS Loan made on behalf of the dependent student that the borrower is reasonably expected to accept during the program of study of such student based on at least the average cumulative indebtedness of other borrowers of Federal Direct PLUS Loans made on behalf of dependent students who are in the same program of study as the student on whose behalf the borrower borrowed the loan and the expected increase in the cost of attendance of such program.

"(5) ANNUAL LOAN ACCEPTANCE.—Prior to making the first disbursement of a loan made under part D (other than a Federal Direct Consolidation Loan or a loan made under section 460A and 460B) to a borrower for an award year, an eligible institution, shall, as part of carrying out the counseling requirements of this subsection for the loan, ensure that after receiving the applicable counseling under paragraphs (2), (3), and (4) for the loan the borrower accepts the loan for such award year by—

"(A) signing and returning to the institution the student loan contract for the loan referred to in section 432(m)(1)(D) that affirmatively states that the borrower accepts the loan; or

"(B) electronically signing an electronic version of the student loan contract described in subparagraph (A).

"(6) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit an eligible institution from providing additional information and counseling services to recipients of Federal student aid under this title, provided that any additional information and counseling services for recipients of Federal student aid shall not preclude or be considered a condition for disbursement of such aid.".

(d) ONLINE COUNSELING TOOLS.—Section 485 of the Higher Education Act of 1965 (20 U.S.C. 1092), as amended by this section, is further amended by adding at the end the following:

"(n) ONLINE COUNSELING TOOLS.—

"(1) IN GENERAL.—Beginning not later than 18 months after the date of enactment of the College Affordability Act, the Secretary shall maintain—

"(A) an online counseling tool that provides the exit counseling required under subsection (b) and meets the applicable requirements of this subsection; and

"(B) an online counseling tool that provides the annual counseling required under subsection (l) and meets the applicable requirements of this subsection.

"(2) REQUIREMENTS OF TOOLS.—In developing and maintaining the online counseling tools described in paragraph (1), the Secretary shall ensure that each such tool is—

"(A) consumer tested, in consultation with other relevant Federal agencies and including students (low-income students and student veterans, and students' families) and borrowers, institutions of higher education, secondary school and postsecondary counselors, and nonprofit consumer groups, to ensure that the tool is effective in helping individuals understand their options, rights, and obligations with respect to borrowing a loan made under part D; and

"(B) freely available to all eligible institutions.

"(3) RECORD OF COUNSELING COMPLETION.—The Secretary shall—

"(A) use each online counseling tool described in paragraph (1) to keep a record of which individuals have received counseling using the tool, and notify the applicable institutions of the individual's completion of such counseling;

"(B) in the case of a borrower who receives annual counseling for a loan made under part D using the tool described in paragraph (1)(B), notify the borrower by when the borrower should accept, in a manner described in subsection (l)(5), the loan for which the borrower has received such counseling; and

"(C) in the case of a borrower described in subsection (b)(1)(B) at an institution that uses the online counseling tool described in paragraph (1)(A) of this subsection, the Secretary shall attempt to provide the information described in subsection (b)(1)(A) to the borrower through such tool.".

(e) DISCLOSURE OF RELIGIOUS EXEMPTIONS TO TITLE IX OF THE EDUCATION AMENDMENTS OF 1972.—Section 485 of the Higher Education Act of 1965 (20 U.S.C. 1092), as amended by this section, is further amended by adding at the end the following:

"(o) DISCLOSURE OF RELIGIOUS EXEMPTIONS TO TITLE IX OF THE EDUCATION AMENDMENTS OF 1972.—Each institution of higher education participating in any program under this title that requests, receives, or exercises or intends to exercise a religious exemption to the requirements of title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.) shall submit in writing to the Assistant Secretary for Civil Rights a statement by the highest ranking official of the institution, identifying the provisions of part 106 of title 34 of the Code of Federal Regulations that conflict with a specific tenet of the religious organization and shall publish on its website, in a prominent location, the following:

"(1) REQUEST LETTER.—Each letter submitted by the educational institution to the Department to request such an exemption.

"(2) EXEMPTION LETTER.—Each letter from the Department to the educational institution that grants or denies such an exemption.

"(3) NOTICE OF REQUEST.—Notice that the educational institution has requested an exemption under section 901(a)(3) of the Education Amendments of 1972 (20 U.S.C. 1681(a)(3)).

"(4) NOTICE OF EXEMPTION.—If applicable, notice that the educational institution has received an exemption under section 901(a)(3) of the Education Amendments of 1972 (20 U.S.C. 1681(a)(3)).

"(5) COVERED PERSONAL CHARACTERISTICS OR BEHAVIORS.—A list of the personal characteristics or behaviors to which each requested or granted exemption applies.

"(6) COVERED ACTIVITIES OR PROGRAMS.—A list of the activities or programs to which each exemption applies.

"(7) STATEMENT OF RIGHTS.—The statement 'Students continue to have rights under title IX of the Education Amendments of 1972. Any student who experiences discrimination may contact the Office for Civil Rights at the United States Department of Education at _____ or _____.', with the first blank space being filled with a link to the website of the Office for Civil Rights and the second blank space being filled with the telephone number of the Office for Civil Rights.".

(f) EXPECTANT AND PARENTING STUDENTS POLICIES.—Section 485 of the Higher Education Act of 1965 (20 18 U.S.C. 1092), as amended by this section, is further amended by adding at the end the following:

"(p) EXPECTANT AND PARENTING STUDENTS POLICIES.—Each institution of higher education participating in any program under this title shall develop and make available, including on the institution's website, a statement of policy concerning expectant and parenting students, which shall include, at a minimum—

"(1) the institution's policy regarding leaves of absence related to pregnancy (and related medical conditions), and the birth or adoption of a child, which shall include—

"(A) any policies related to the availability of parental leave; and

"(B) options, including time requirements, for making up missed work for students who take a leave of absence;

"(2) information regarding lactation accommodations available to students;

"(3) a description of the process for requesting accommodations, and the type of accommodations available to expectant and parenting students, including—

"(A) information on accommodations for pregnancy-related medical conditions; and

"(B) information on accommodations for students who have parental responsibilities;

"(4) information regarding financial aid eligibility for expectant and parenting students, including—

"(A) the availability of dependent care allowances for a parenting student for the purposes of determining the student's cost of attendance;

"(B) the ability to change dependency status, including during an award year, following the birth of a child;

"(C) the availability of and eligibility requirements for any emergency financial aid programs provided by the institution; and

"(D) an explanation of the effect that a leave of absence may have on a student's demonstration of satisfactory academic progress, including for the purposes of eligibility to participate in financial aid programs under this title;

"(5) information on available student support services, programs, and community resources, such as academic advising, child care (including child care subsidy and assistance programs), housing (including housing subsidies and utility assistance programs), food (including food assistance programs), public benefits, health care, health insurance, mental health, transportation benefits, mentoring, and other services available for expectant and parenting students, both on-campus and in the community, and under local, State, and Federal law;

"(6) information regarding the availability of on-campus housing that permits students to live with dependents;

"(7) information on the rights and protections that are guaranteed to expectant and parenting students under applicable Federal and State laws;

"(8) the institution's procedures for addressing complaints under title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), including procedures for reporting complaints under such title;

"(9) the institution's procedures for addressing complaints alleging discrimination based on a pregnancy-related disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) or the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), including procedures for reporting complaints under such laws; and

"(10) the contact information for the institution's Office of Accessibility, the institution's Title IX coordinator, and any other relevant staff members who serve as a point of contact for, or offer services available to, expectant and parenting students.".

SEC. 4612. PREVENTION OF IMPROPER ACCESS.

Section 485B of the Higher Education Act of 1965 (20 U.S.C. 1092b) is amended—

(1) by redesignating subsections (e) through (h) as subsections (f) through (i), respectively;

(2) in subsection (d)—

(A) in paragraph (5)(C), by striking "and" after the semicolon;

(B) in paragraph (6)(C), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(7) preventing access to the data system and any other system used to administer a program under this title by any person or entity for the purpose of assisting a student in managing loan repayment or applying for any repayment plan, consolidation loan, or other benefit authorized by this title, unless such access meets the requirements described in subsection (e).";

(3) by inserting after subsection (d) the following:

"(e) REQUIREMENTS FOR THIRD-PARTY DATA SYSTEM ACCESS.—

"(1) IN GENERAL.—As provided in paragraph (7) of subsection (d), an authorized person or entity described in paragraph (2) may access the data system and any other system used to administer a program under this title if that access—

"(A) is in compliance with terms of service, information security standards, and a code of conduct which shall be established by the Secretary and published in the Federal Register;

"(B) is obtained using an access device (as defined in section 1029(e)(1) of title 18, United States Code) issued by the Secretary to the authorized person or entity; and

"(C) is obtained without using any access device (as defined in section 1029(e)(1) of title 18, United States Code) issued by the Secretary to a student, borrower, or parent.

"(2) AUTHORIZED PERSON OR ENTITY.—An authorized person or entity described in this paragraph means—

"(A) a guaranty agency, eligible lender, or eligible institution, or a third-party organization acting on behalf of a guaranty agency, eligible lender, or eligible institution, that is in compliance with applicable Federal law (including regulations and guidance); or

"(B) a licensed attorney representing a student, borrower, or parent, or another individual who works for a Federal, State, local, or Tribal government or agency, or for a nonprofit organization, providing financial or student loan repayment counseling to a student, borrower, or parent, if—

"(i) that attorney or other individual has never engaged in unfair, deceptive, or abusive practices, as determined by the Secretary;

"(ii) that attorney or other individual does not work for an entity that has engaged in unfair, deceptive, or abusive practices (including an entity that is owned or operated by a person or entity that engaged in such practices), as determined by the Secretary;

"(iii) system access is provided only through a separate point of entry; and

"(iv) the attorney or other individual has consent from the relevant student, borrower, or parent to access the system."; and

(4) in subsection (f)(1), as redesignated by paragraph (1)—

(A) in subparagraph (A), by striking "student and parent" and inserting "student, borrower, and parent";

(B) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively;

(C) by inserting after subparagraph (B) the following:

"(C) the reduction in improper data system access as described in subsection (d)(7);"; and

(D) by striking subparagraph (E), as redesignated by subparagraph (B), and inserting the following:

"(E) any protocols, codes of conduct, terms of service, or information security standards developed under paragraphs (6) or (7) of subsection (d) during the preceding fiscal year.".

SEC. 4613. INFORMATION WITH RESPECT TO CRIME STATISTICS FOR PROGRAMS OF STUDY ABROAD.

Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.), as amended by the preceding sections, is further amended by inserting after section 485E (20 U.S.C. 1092f) the following:

"SEC. 485F. INFORMATION WITH RESPECT TO CRIME STATISTICS FOR PROGRAMS OF STUDY ABROAD.

"(a) IN GENERAL.—Each institution participating in any program under this title, other than a foreign institution of higher education, shall develop and distribute a statement of policy with respect to students participating in a program of study abroad approved for credit by the institution concerning crime and harm that may occur while participating in such program of study abroad that, at a minimum, includes a biennial review by the institution of the programs of study abroad approved for credit by the institution to determine—

"(1) the effectiveness of the programs at protecting students from crime and harm, and whether changes to the programs are needed (based on the most recent guidance or other assistance from the Secretary) and will be implemented;

"(2) for the 5 years preceding the date of the report, the number (in the aggregate for all programs of study abroad approved for credit by the institution) of—

"(A) deaths of program participants occurring during program participation or during any other activities during the study abroad period;

"(B) sexual assaults against program participants occurring during program participation and reported to the institution;

"(C) accidents and illnesses occurring during program participation that resulted in hospitalization and were reported to the institution; and

"(D) incidents involving program participants during the program participation that resulted in police involvement or a police report and were reported to the institution; and

"(3) with respect to the incidents described in subparagraphs (A) and (B) of paragraph (2), whether the incidents occurred—

"(A) on campus;

"(B) in or on noncampus buildings or property;

"(C) on public property;

"(D) in dormitories or other residential facilities for students on campus; or

"(E) at a location not described in items (A) through (D) of this clause, without regard to whether the institution owns or controls a building or property at the location.

"(b) OTHER DUTIES.—An institution of higher education described in subsection (a) shall—

"(1) provide each student who is interested in participating in a program of study abroad approved for credit by the institution, with an orientation session and advising that includes—

"(A) a list of countries in which such programs of study abroad are located;

"(B) all current travel information, including all travel warnings and travel alerts, issued by the Bureau of Consular Affairs of the Department of State for such countries; and

"(C) the information described in paragraph (a), provided specifically for each program of study abroad approved for credit by the institution in which the student is considering participation; and

"(2) provide each student who returns from such a program of study abroad with a post-trip debriefing session, including an exit interview that assists the institution in carrying out subsection (a).

"(c) LIMITATIONS.—An institution of higher education shall not disaggregate or otherwise distinguish information for purposes of subsection (a) or (b) in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

"(d) REVIEW.—The Secretary shall periodically review a representative sample of the policies described in subsection (a) that have been adopted by institutions of higher education.

"(e) DEFINITION.—For the purpose of this section, the definitions for 'campus', 'noncampus building or property', and 'public property' shall have the same meaning as in section 485(f)(6).".

SEC. 4614. REMEDIAL EDUCATION GRANTS.

Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.), as amended by the preceding sections, is further amended by inserting after section 486A (20 U.S.C. 1093a) the following:

"SEC. 486B. REMEDIAL EDUCATION GRANTS.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—From the funds appropriated under subsection (k) (and not reserved under subsection (c)(4)), the Secretary, in consultation with the Direc-

tor of the Institute of Education Sciences, shall award grants, on a competitive basis, to eligible entities to improve remedial education in higher education.

"(2) DURATION.—A grant under this section shall be awarded for a period of 5 years.

"(3) MINIMUM AWARDS.—The total amount of funds provided under each grant awarded under this section shall not be less than $500,000.

"(b) APPLICATION.—An eligible entity that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require, which shall include the following:

"(1) A description of how the eligible entity will use the grant funds to develop or improve a remedial education program that includes evidence-based, effective strategies for providing instruction to ensure that students are prepared for courses at the postsecondary level.

"(2) An assurance that the eligible entity will use more than two measures (such as a student's college entrance examination score, grade point average, high school course list, or a placement examination) to identify students in need of remedial education who may be eligible to participate in the remedial education program developed or improved under the grant.

"(3) A description of how the eligible entity, in developing or improving such a program, will consult with stakeholders, including individuals with expertise in remedial education, students enrolled in remedial education, and faculty instructors for remedial education.

"(4) The eligible entity's plan for sustaining the program after the grant period has ended.

"(5) The eligible entity's plan for monitoring and evaluating the program, including how the eligible entity will use the data collected under subsection (h) to continually update and improve the program.

"(c) CONSULTATION AND INDEPENDENT EVALUATION.—

"(1) IN GENERAL.—Before selecting eligible entities to receive grants under this section for a fiscal year, the Secretary shall—

"(A) ensure that the consultation required under paragraph (3) is carried out; and

"(B) consider the results of the consultation in selecting eligible entities to receive such grants.

"(2) CONTRACT AUTHORITY.—The Secretary, acting through the Director, shall seek to enter into a contract with an independent evaluator under which the evaluator will provide the consultation and evaluation required under paragraph (3).

"(3) CONSULTATION AND INDEPENDENT EVALUATION REQUIRED.—The independent evaluator shall carry out the following activities:

"(A) CONSULTATION.—For each fiscal year of the grant program under this section, the independent evaluator shall consult with, and provide advice to, the Secretary regarding which eligible entities should receive grants under this section for such fiscal year.

"(B) EVALUATION.—Throughout the duration of the grant program under this section, the independent evaluator shall independently evaluate the impact of the remedial education programs funded with the grants, which shall include evaluation of—

"(i) the effectiveness of the remedial education programs in increasing course and degree completion at the postsecondary level; and

"(ii) the outcomes of the remedial education programs within and among models of remedial education described in subsection (d).

"(4) RESERVATION.—The Secretary may reserve not more than 15 percent of the funds appropriated under subsection (k) for a fiscal year to carry out this subsection for such fiscal year.

"(d) USE OF FUNDS.—An eligible entity that receives a grant under this section shall use the grant to develop or improve a remedial education program through one or more of the following models:

"(1) ALIGNING COURSE WORK.—Working with a local educational agency or State educational agency that is part of the eligible entity to develop or improve programs that provide alignment between high school coursework and postsecondary education, and that may include—

"(A) assessments in high school to measure student readiness for courses at the postsecondary level; or

"(B) interventions in high school that improve student competencies for courses at the postsecondary level.

"(2) ACCELERATED COURSE WORK.—Redesigning or improving remedial education that—

"(A) allows students to enroll in more than one sequential remedial education course or training in a semester, or the equivalent;

"(B) condenses the time of the remedial education; or

"(C) provides shortened, intensive courses or training to improve competencies of students for courses at the postsecondary level.

"(3) MODULAR INSTRUCTIONAL METHODS.—Developing or improving remedial education that—

"(A) specifically targets the skills that students need to move forward in courses at the postsecondary level; and

"(B) may be used to develop new assessments, redesign courses to provide targeted skill instruction, or provide faculty professional development.

"(4) CO-REQUISITE MODEL.—Developing or improving remedial education programs that allow a student to enroll in remedial education (which may be provided through a modular instructional method) while also enrolled in a course at the postsecondary level.

"(5) SYSTEMIC REFORM TO IMPLEMENT COMPREHENSIVE, INTEGRATED SUPPORT PROGRAMS.—Implementing and improving comprehensive, integrated, evidence-based support programs that—

"(A) enable students enrolled in remedial education to complete a course of study leading to a recognized educational credential within 150 percent of the normal time for completion; and

"(B) may include financial supports, academic tutoring or support, and advising that enable students to find success in remedial education and courses at the postsecondary level.

"(e) CONSIDERATIONS.—In awarding grants under this section, the Secretary, in consultation with the Director, shall—

"(1) ensure—

"(A) a minimum of 30 eligible entities are awarded grants for each 5-year grant period;

"(B) an equitable geographic distribution of such grants, including an equitable distribution between urban and rural areas; and

"(C) that grants are used to develop or improve remedial education programs—

"(i) under each model described in subsection (d) to enable, to the extent practicable, statistical comparisons of the relative effectiveness of the models and the programs within each model; and

"(ii) for a range of types and sizes of institutions of higher education; and

"(2) give preference to eligible entities that primarily serve low-income students.

"(f) FISCAL REQUIREMENTS.—

"(1) SUPPLEMENT NOT SUPPLANT.—A grant awarded under this section shall be used to supplement, not supplant, funds that would otherwise be used to carry out the activities described in this section.

"(2) MATCHING FUNDS.—

"(A) IN GENERAL.—Subject to subparagraph (B), an eligible entity that receives a grant under this section shall provide, from non-Federal sources, an amount equal to 10 percent of the amount of the grant for the cost of activities assisted under the grant.

"(B) EXCEPTIONS.—The requirements of subparagraph (A) shall not apply to—

"(i) Tribal Colleges or Universities; or

"(ii) institutions of higher education located in the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau.

"(g) EXPERIMENTAL AUTHORITY.—Notwithstanding any other provision of this title, a student may be eligible to receive loans or grants under this title for up to 2 academic years for enrollment in a remedial education program under this section.

"(h) DATA COLLECTION, REPORTS, EVALUATIONS, AND DISSEMINATION.—

"(1) INFORMATION.—

"(A) STUDENT-LEVEL DATA.—Each eligible entity that receives a grant under this section shall provide to the Director and the Secretary, on an annual basis for each year of the grant period and for 5 years after such grant period, the student-level data with respect to the students who are or were enrolled in a remedial education program funded with the grant. The Director and the Secretary shall share such data with the independent evaluator to enable the evaluator, for each such year, to determine the in-

formation described in subparagraph (B) with respect to each such remedial education program.

"(B) AGGREGATE STUDENT DATA.—The independent evaluator shall determine, with respect to each remedial education program for which an eligible entity provides student-level data under subparagraph (A), the following information:

"(i) The number of students who are or were enrolled in such remedial education program.

"(ii) The cost of such remedial education program.

"(iii) The amount of grant or loan funds under this title awarded to students for enrollment in such remedial education program.

"(iv) The type of remedial education offered under the program.

"(v) The length of time students spend in such remedial education program, as measured by semester, trimester, or clock hours.

"(vi) The number of students who complete such remedial education program.

"(vii) Of the students who complete such remedial education program—

"(I) the number and percentage of such students who later enroll in postsecondary-level courses at an institution of higher education;

"(II) the number and percentage of such students who receive a recognized educational credential from an institution of higher education;

"(III) the average length of time required for a student described in subclause (II) to complete the course of study leading to such credential; and

"(IV) the number and percentage of students described in subclause (II) who complete the course of study leading to such credential within 150 percent of the normal time for completion.

"(C) DISAGGREGATION.—The information determined under subparagraph (B) shall be disaggregated by race, gender, socioeconomic status, Federal Pell Grant eligibility status, status as a first generation college student, veteran or active duty status, and disability status.

"(2) EVALUATION RESULTS.—Not later than six years after the first grant is awarded under this section, the Director, in consultation with the Secretary and using the information determined under paragraph (1), shall submit to the authorizing committees and make available on a publicly accessible website, a report on the results of the multiyear, rigorous, and independent evaluation of the impact of the remedial education programs carried out by the independent evaluator. The report shall include the results of such evaluation with respect to—

"(A) the effectiveness of the remedial education programs in increasing course and degree completion at the postsecondary level; and

"(B) the outcomes of the remedial education programs within and among models of remedial education described in subsection (d).

"(3) REPORTS AND DISSEMINATION.—

"(A) INITIAL REPORT.—Not later than one year after the first grant is awarded under this section, the Secretary, in consultation with the independent evaluator, shall prepare and submit to the authorizing committees a report on each remedial education program funded under this section.

"(B) SUBSEQUENT REPORT.—Not later than five years after the last grant is awarded under this section, the Secretary, in consultation with the independent evaluator, shall prepare and submit to the authorizing committees a report that includes—

"(i) a review of the activities and program performance of each remedial education program funded under this section; and

"(ii) guidance and recommendations on how successful remedial education programs (as determined, at a minimum, by the number and percentage of remedial education students who later complete a course of study at an institution of higher education within 150 percent of the normal time for completion) can be replicated.

"(C) PUBLIC AVAILABILITY.—The reports submitted under subparagraphs (A) and (B) shall be made available on a publicly accessible website of the Department of Education.

"(i) DATA PRIVACY.—

"(1) IN GENERAL.—It shall be unlawful for any person who obtains or has access to personally identifiable information pursuant to this section to knowingly disclose to any person (except as authorized in this section or any Federal law) such personally identifiable information.

"(2) PENALTY.—Any person who violates paragraph (1) shall be fined under title 18, United States Code.

"(3) OFFICER OR EMPLOYEE OF THE UNITED STATES.—If any officer or employee of the United States violates paragraph (1), the officer or employee shall be dismissed from office or discharged from employment upon conviction for the violation.

"(4) LAW ENFORCEMENT.—Personally identifiable information collected under this section shall not be used for any law enforcement activity or any other activity that would result in adverse action against any student, including debt collection activity or enforcement of the immigration laws.

"(j) DEFINITIONS.—In this section:

"(1) DIRECTOR.—The term 'Director' means the Director of the Institute of Education Sciences.

"(2) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) an institution of higher education; or

"(B) a partnership between an institution of higher education and at least 1 of the following:

"(i) A local educational agency.

"(ii) A State educational agency.

"(3) FIRST GENERATION COLLEGE STUDENT.—The term 'first generation college student' has the meaning given that term in section 402A(h).

"(4) INDEPENDENT EVALUATOR.—The term 'independent evaluator' means the independent evaluator with which the Secretary enters into a contract under subsection (c)(2).

"(5) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given that term in section 101.

"(6) REMEDIAL EDUCATION.—The term 'remedial education'—

"(A) means education (such as courses or training) offered at an institution of higher education that—

"(i) is below the postsecondary level; and

"(ii) is determined by the institution to be necessary to help students be prepared for the pursuit of a first undergraduate baccalaureate degree, associate's degree, or certificate or, in the case of courses in English language instruction, to be necessary to enable the student to utilize already existing knowledge, training, or skills; and

"(B) includes developmental education that meets the requirements of subparagraph (A).

"(7) TRIBAL COLLEGE OR UNIVERSITY.—The term 'Tribal College or University' has the meaning given that term in section 316(b).

"(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $162,500,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.".

SEC. 4615. COMPETENCY-BASED EDUCATION.

(a) IN GENERAL.—Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.), as amended by the preceding sections, is further amended by inserting after section 486B (as added by section 4614 of this Act) the following:

"SEC. 486C. COMPETENCY-BASED EDUCATION DEMONSTRATION PROJECTS.

"(a) DEMONSTRATION PROJECTS AUTHORIZED.—The Secretary shall select, in accordance with subsection (d), eligible entities to voluntarily carry out competency-based education demonstration projects for a duration of 5 years and receive waivers or other flexibility described in subsection (e) to carry out such projects.

"(b) APPLICATION.—

"(1) IN GENERAL.—Each eligible entity desiring to carry out a demonstration project under this section shall submit an application to the Secretary, at such time and in such manner as the Secretary may require.

"(2) OUTREACH.—

"(A) IN GENERAL.—The Secretary shall, prior to any deadline to submit applications under paragraph (1), conduct outreach to institutions, including those described in subparagraph (B), to provide those institutions with information on the opportunity to apply to carry out a demonstration project under this section.

"(B) INSTITUTIONS.—The institutions described in this subparagraph are the following:

"(i) Part B institutions (as defined in section 322).

"(ii) Hispanic-serving institutions (as defined in section 502).

"(iii) Tribal Colleges or Universities (as defined in section 316).

"(iv) Alaska Native-serving institutions (as defined in section 317(b)).

"(v) Native Hawaiian-serving institutions (as defined in section 317(b)).

"(vi) Predominantly Black Institutions (as defined in section 318).

"(vii) Asian American and Native American Pacific Islander-serving institutions (as defined in section 320(b)).

"(viii) Native American-serving, nontribal institutions (as defined in section 319).

"(ix) Institutions predominately serving adult learners.

"(x) Institutions serving students with disabilities.

"(xi) Institutions located in rural areas.

"(3) AMENDMENTS.—

"(A) IN GENERAL.—An eligible entity that has been selected to carry out a demonstration project under this section may submit to the Secretary amendments to the eligible entity's approved application under paragraph (1), at such time and in such manner as the Secretary may require, which the Secretary shall approve or deny within 30 days of receipt.

"(B) EXPANDING ENROLLMENT.—Notwithstanding the assurance required with respect to maximum enrollment under paragraph (4)(N)—

"(i) an eligible entity whose demonstration project has been evaluated under subsection (g)(2) not less than twice, may submit to the Secretary an amendment to the eligible entity's application under paragraph (1) to increase enrollment in the project to more than 3,000 students, but not more than 5,000 students, and which shall specify—

"(I) the proposed maximum enrollment and annual enrollment growth for the project;

"(II) how the eligible entity will successfully carry out the project with such maximum enrollment and enrollment growth; and

"(III) any other amendments to the eligible entity's application under paragraph (1) that are related to such maximum enrollment or enrollment growth; and

"(ii) the Secretary shall determine whether to approve or deny an amendment submitted under clause (i) for a demonstration project based on the project's evaluations under subsection (g)(2).

"(4) CONTENTS.—Each application under paragraph (1) shall include—

"(A) a description of each competency-based education program to be offered by the eligible entity under the demonstration project;

"(B) a description of the alignment of the proposed competency-based education program to the institution's mission, and evidence of institutional commitment to such program;

"(C) a description of how each program will work with employers and local industry to assess and incorporate competencies that are relevant in the labor market and how the program aligns with employer needs;

"(D) a description of the proposed academic design, academic and support services, delivery, business, and financial models for the demonstration project, including explanations and supporting documents, including financial statements, and, any revenue-sharing agreements with third-party servicers or online program managers, of how each competency-based education program offered under the demonstration project will—

"(i) result in the achievement of competencies;

"(ii) differ from standard credit hour approaches, in whole or in part;

"(iii) result in lower costs of a certificate or degree; and

"(iv) result in shortened time to completion of a certificate or degree;

"(E) a description of how each competency-based education program offered under the demonstration project will award academic credit to advance the progress of a student toward completion of a certificate or degree that is portable and used by in-demand employers for making employment decisions;

"(F) a description of how each credit-bearing competency-based education program offered under the demonstration project is aligned with a career pathway;

"(G) a description of the meaningful role of the appropriate instructors of the eligible entity in the development, design, implementation, delivery, and evaluation of each such competency-based education program;

"(H) a description of how each such competency-based education program will provide strong post-enrollment job placement, earnings, and loan repayment outcomes;

"(I) a description of how the eligible entity will facilitate transfer, postsecondary study, and employer understanding by articulating a competency-based transcript from a competency-based education program offered under

the demonstration project to a credit hour transcript at another program at the eligible entity and to other institutions of higher education;

"(J) a description of the statutory and regulatory requirements described in subsection (e) for which the eligible entity is seeking a waiver or other flexibility, and why such waiver or flexibility is necessary to carry out the demonstration project;

"(K) a description of indicators of a program's effectiveness to inform how a third party will reliably assess student learning for each competency-based education program offered under the demonstration project;

"(L) a description of how the eligible entity will develop and evaluate the competencies and assessments of student knowledge administered as part of the demonstration project, including whether there is a relationship between the competency unit and a traditional credit or clock hour, the average time it takes to earn a competency, how such competencies and assessments are aligned with workforce needs and any other considerations the institution made when it developed its unit of competency;

"(M) a description of the proposal for determining a student's Federal student aid eligibility under this title for participating in the demonstration project, the award and distribution of such aid, and the safeguards to ensure that students are making satisfactory progress that warrants the disbursement of such aid;

"(N) an assurance that the demonstration project at each eligible entity—

"(i) will enroll a minimum of 25 students and a maximum of 3,000 students or, in the case of an eligible entity with an application amendment approved under paragraph (3)(B), the maximum enrollment approved under such paragraph;

"(ii) will identify and disseminate best practices with respect to the demonstration project to the Secretary and to other eligible entities carrying out a demonstration project under this section;

"(iii) operates under an agreement with the accrediting agency or association of the eligible entity to establish the standards described in subsection (c); and

"(iv) uses available funds solely for purposes of awarding academic credit to eligible students based on the achievement of competencies and for the related costs or fees of demonstrating the achievement of competencies;

"(O) a description of the population of students to whom competency-based education under the demonstration project will be offered, including demographic information and prior educational experience, disaggregated (as practicable) by students who are Federal Pell Grant recipients, students of color, Native students, students with disabilities, students who are veterans or members of the Armed Forces, adult learners, and first generation college students, and how such eligible entity will, when appropriate, address the specific needs of each such population of students when carrying out the demonstration project;

"(P) a description of outreach and communication activities to students who may benefit under the demonstration project, including those described in subparagraph (O);

"(Q) a description of how the institution is ensuring that students participating in the demonstration project will not, on average, be eligible for more or less Federal assistance under this title than such students would have been eligible for under a program measured in credit or clock hours;

"(R) the cost of attendance for each competency-based education program offered under the demonstration project, disaggregated by each of the applicable costs or allowances described in paragraphs (1) through (13) of section 472, and the estimated amount of the cost of attendance of each such program to be covered by need-based grant aid and merit-based grant aid from Federal, State, institutional, and private sources;

"(S) a description of other competency-based education programs the eligible entity offers or plans to offer outside of the demonstration project;

"(T) a description of how the eligible entity will use data to—

"(i) ensure that each competency-based education program under the demonstration project meets the benchmarks established in accordance with subsection (c)(2)(E);

"(ii) confirm relevancy of competencies in the labor market; and

"(iii) improve each such program; and

"(U) other such elements as the Secretary may require.

"(c) RECOGNITION BY ACCREDITING AGENCY OR ASSOCIATION.—Unless a program has already been recognized as a direct assessment program by the accrediting

agency or association of the eligible entity, in order to carry out a competency-based education program under a demonstration project under this section, an eligible entity shall include in its application under subsection (b), a letter from the accrediting agency or association of the eligible entity that describes how it will establish and enforce the following standards with respect to such competency-based education program:

"(1) Standards for determining whether the eligible entity or the program requires students to demonstrate competencies that are—

"(A) capable of being validly and reliably assessed; and

"(B) appropriate in scope and rigor for the award of the relevant certificate or degree.

"(2) Standards for determining whether the eligible entity or the program demonstrate—

"(A) the administrative capacity and expertise that will ensure—

"(i) the validity and reliability of assessments of competencies; and

"(ii) good practices in assessment and measurement;

"(B) sufficient educational content, activities, and resources (including faculty support)—

"(i) to enable students to learn or develop what is required to demonstrate or attain mastery of competencies; and

"(ii) that are consistent with the qualifications of graduates of traditional programs;

"(C) that the quality of demonstration of competence is judged at mastery for each competency that is assessed for the award of a certificate or degree;

"(D) a standard for the amount of learning that is included in a unit of competency;

"(E) reasonable, clear, and actionable benchmarks for graduation rates and the employment and earnings of graduates, including job placements in a field for which the program prepares students, debt-to-earnings ratios, loan repayment rates, and student satisfaction;

"(F) regular evaluation of whether the program meets the benchmarks under subparagraph (E), and address what may be the cause with identified interventions; and

"(G) that students may not receive a subsequent disbursement until they have completed the anticipated number of credits for the payment period.

"(3) Standards for determining when to deny, withdraw, suspend, or terminate the accreditation of the program if the benchmarks under paragraph (2)(E) are not achieved after 4 consecutive title IV payment periods, including standards for providing sufficient opportunity—

"(A) for the eligible entity or program to provide a written response regarding the failure to achieve such benchmarks be considered by the agency or association in the manner described in section 496(a)(6)(B); and

"(B) for the eligible entity or program to appeal any adverse action under this subparagraph before an appeals panel that meets the requirements of section 496(a)(6)(C).

"(d) SELECTION.—

"(1) IN GENERAL.—Not later than 12 months after the date of enactment of the College Affordability Act, the Secretary shall select not more than 100 eligible entities to carry out a demonstration project under this section under which at least 1 competency-based education program is offered at each eligible entity.

"(2) CONSIDERATIONS.—In selecting eligible entities under paragraph (1), the Secretary shall—

"(A) consider the number and quality of applications received;

"(B) consider an eligible entity's—

"(i) ability to successfully execute the demonstration project as described in the eligible entity's application under subsection (b);

"(ii) commitment and ability to effectively finance the demonstration project;

"(iii) ability to provide administrative capability and the expertise to evaluate student progress based on measures other than credit hours or clock hours;

"(iv) history of compliance with the requirements of this Act;

"(v) commitment to work with the Director and the Secretary to evaluate the demonstration project and the impact of the demonstration project under subsection (g)(2);

"(vi) commitment and ability to assess student learning through a third party;

"(vii) commitment of the accrediting agency or association of the eligible entity to establish and enforce the standards described in subsection (c); and

"(viii) commitment to collaboration with an employer advisory group or specific employers to determine how the demonstration project will meet employer needs;

"(C) ensure the selection of a diverse group of eligible entities with respect to size, mission, student population, and geographic distribution;

"(D) not limit the types of programs of study or courses of study approved for participation in a demonstration project; and

"(E) not select an eligible entity—

"(i) that, for 1 of the preceding 2 fiscal years—

"(I) had an adjusted cohort default rate (defined in section 435(m)) that is 20 percent or greater;

"(II) failed to meet the requirement under section 487(a)(24); or

"(III) was—

"(aa) under probation or an equivalent status from the accrediting agency or association of the eligible entity;

"(bb) under sanction from the authorization agency of the State in which the eligible entity is located; or

"(cc) under public investigation or facing a pending lawsuit from a State or Federal agency;

"(ii) if the Department has concerns with the entity's compliance based on program reviews or audits; or

"(iii) if the eligible entity fails to meet the financial responsibility standards prescribed by the Secretary in accordance with section 498(c) or is placed on a reimbursement payment method by the Secretary.

"(e) WAIVERS AND OTHER FLEXIBILITY.—

"(1) IN GENERAL.—With respect to any eligible entity selected to carry out a demonstration project under this section, the Secretary may—

"(A) waive any requirements of the provisions of law (including any regulations promulgated under such provisions) listed in paragraph (2) for which the eligible entity has provided a reason for waiving under subsection (b)(4)(J); or

"(B) provide other flexibility, but not waive, any requirements of the provisions of law (including any regulations promulgated under such provisions) listed in paragraph (3) for which the eligible entity has provided a reason with which the Secretary agrees for such flexibility under subsection (b)(4)(J).

"(2) PROVISIONS ELIGIBLE FOR WAIVERS.—The Secretary may waive the following under paragraph (1)(A):

"(A) Subparagraphs (A) and (B) of section 102(a)(3).

"(B) Section 484(l)(1).

"(3) PROVISIONS ELIGIBLE FOR FLEXIBILITY.—The Secretary may provide the flexibility described in paragraph (1)(B) with respect to the requirements under provisions in title I, part F of this title, or this part, that inhibit the operation of a competency-based education program, relating to the following:

"(A) Documenting attendance.

"(B) Weekly academic activity.

"(C) Minimum weeks of instructional time.

"(D) Requirements for credit hour or clock hour equivalencies if an institution proposes a measure clearly defined in its application that accounts for the academic intensity of study.

"(E) Requirements for regular and substantive interaction with the instructor.

"(F) Definitions of the terms 'academic year', 'full-time student', 'part-time student', 'term' (including 'standard term', 'non-term', and 'non-standard term'), 'satisfactory academic progress', 'educational activity', 'program of study', and 'payment period'.

"(G) Methods of disbursing student financial aid by institutions of higher education selected, as of the date of enactment of the College Affordability Act, as experimental sites under section 487A to carry out competency-based education programs.

"(H) Restrictions regarding concurrent student enrollment in Direct Assessment and non-Direct Assessment programs.

"(4) MEASUREMENT OF ACTIVITY OR ACADEMIC WORK.—An institution granted flexibility under paragraph (3) related to requirements for credit hour or clock hour equivalencies shall include a measurement of activity or academic 'work'

by students as considered comparable to the standard practice for measuring credit or clock hours for these areas.

"(f) NOTIFICATION.—Not later than 9 months after the date of enactment of the College Affordability Act, the Secretary shall make available to the authorizing committees and the public a list of eligible entities selected to carry out a demonstration project under this section, which shall include for each such eligible entity—

"(1) the specific waiver or other flexibility from statutory or regulatory requirements offered under subsection (e); and

"(2) a description of the competency-based education programs, and its associated accreditation standards, to be offered under the project.

"(g) INFORMATION AND EVALUATION.—

"(1) INFORMATION.—

"(A) STUDENT-LEVEL DATA.—Each eligible entity that carries out a demonstration project under this section shall provide to the Director the student-level data for the students enrolled in a program described in subparagraph (C)(i)(I), the student-level data for the students enrolled in a program described in subparagraph (C)(i)(II), and the student-level data for students enrolled in a program described in subparagraph (C)(i)(III) to enable the Director—

"(i) to determine the aggregate information described in subparagraph (B) with respect to each such program; and

"(ii) to the extent practicable, to compare the programs using a rigorous evaluation, such as propensity score matching.

"(B) AGGREGATE INFORMATION.—For purposes of the evaluation under paragraph (2), the Director shall use the student-level data provided under subparagraph (A) by an eligible entity to determine the following information with respect to each program described in subparagraph (C)(i) offered at such eligible entity:

"(i) The average number of credit hours students earned prior to enrollment in the program, if applicable.

"(ii) The number and percentage of students enrolled in a competency-based education program that are also enrolled in programs of study or courses of study offered in credit hours or clock hours, disaggregated by student status as a first-year, second-year, third-year, fourth-year, or other student.

"(iii) The average period of time between the enrollment of a student in the program and the first assessment of student knowledge of such student.

"(iv) The average time to 25 percent, 50 percent, 75 percent, 100 percent, 150 percent, and 200 percent completion of a certificate or degree.

"(v) The number and percentage of students who begin in a certain cohort and complete a certificate or degree.

"(vi) The number and percentage of students who begin in a certain cohort and withdraw without completing a certificate or degree.

"(vii) The number and percentage of students who begin in a certain cohort who reach 25 percent, 50 percent, 75 percent, and 100 percent completion of a certificate or degree.

"(viii) The number and percentage of students who begin in a certain cohort who re-enroll in a second period.

"(ix) The median number of competencies completed per period.

"(x) The average number of attempts it takes students to pass all assessments of student knowledge during the period of enrollment in the program.

"(xi) The percentage of summative assessments of student competence that students passed on the first attempt during the period of enrollment in the program.

"(xii) The percentage of summative assessments of student competence that students passed on the second attempt and the average period of time between the first and second attempts during the period of enrollment in the program.

"(xiii) The average number of competencies a student acquired and demonstrated while enrolled in a program and the period of time during which the student acquired such competencies.

"(xiv) The number and percentage of students completing the program who find employment that lasts not less than 6 months within 6 months of graduation, disaggregated by number and percentage of such students finding employment in a field related to the program.

"(xv) Student job placement rates 1, 2, and 3 years after graduating from the program, if available.

"(xvi) The median student earnings 1, 2, and 3 years after graduating from the program, if available.

"(xvii) The number and percentage of students completing the program who continue their education.

"(xviii) Such other information as the Director may reasonably require.

"(C) DISAGGREGATION.—The information determined under subparagraph (B) shall be disaggregated as follows, provided that the disaggregation of the information does not identify any individual student:

"(i) For each eligible entity that carries out a demonstration project under this section, disaggregation by—

"(I) the students enrolled in each competency-based education program under the project;

"(II) the students enrolled in each competency-based education program not being carried out under the project, if the eligible entity has a competency-based education program not being carried out under the project; and

"(III) the students enrolled in a program not described in subclause (I) or (II).

"(ii) For each group of students described in clause (i), disaggregation by prior postsecondary experience, age group, race, gender, disability status, students who are Veterans or servicemembers, first generation college students, full-time and part-time enrollment, and status as a recipient of a Federal Pell Grant.

"(D) COUNCIL.—The Director shall provide to the Competency-Based Education Council any information described in subparagraph (A) or (B) (other than personally identifiable information) that may be necessary for the Council to carry out its duties under section 4616(e) of the College Affordability Act.

"(2) EVALUATION.—

"(A) IN GENERAL.—The Director, in consultation with the Secretary and using the information determined under paragraph (1), shall annually evaluate each eligible entity carrying out a demonstration project under this section. Each evaluation shall be disaggregated in accordance with subparagraph (B) and include—

"(i) the extent to which the eligible entity has met the elements of its application under subsection (b)(4);

"(ii) whether the demonstration project led to reduced cost, including as reflected by median debt levels, or time to completion of a certificate or degree, and the amount of cost or time reduced for such completion;

"(iii) obstacles related to student financial assistance for competency-based education;

"(iv) the extent to which statutory or regulatory requirements not waived or for which flexibility is not provided under subsection (e) presented difficulties or unintended consequences for students or eligible entities;

"(v) a description of the waivers or flexibility provided under subsection (e) that were most beneficial to students or eligible entities, and an explanation of such benefits;

"(vi) the percentage of students who received each of the following—

"(I) a grant under this title;

"(II) a loan under this title;

"(III) a State grant;

"(IV) a State loan;

"(V) an institutional grant;

"(VI) an institutional loan;

"(VII) a private loan; and

"(VIII) an employer grant or subsidy;

"(vii) median annual total cost and net cost to the student of the program;

"(viii) median total cost and net cost of the credential and associated examination or licensure calculated upon completion;

"(ix) median outstanding balance of principal and interest on loans made under this title that students have upon graduation;

"(x) the median 3-year adjusted cohort default rate as defined under section 435(m);

"(xi) the median 1-year and 3-year repayment rate of loans made under this title;

"(xii) the median student earnings 1, 3, and 4 years after graduation;

"(xiii) a description of the curricular infrastructure, including assessments of student knowledge and the corresponding competencies;

"(xiv) a description of the role of faculty and faculty involvement; and

"(xv) outcomes of the assessments of student competency.

"(B) DISAGGREGATION.—The data collected under clauses (vi) through (xii) shall be disaggregated by each group of students described in paragraph (1)(C).

"(3) ANNUAL REPORT.—The Director, in consultation with the Secretary, shall annually provide to the authorizing committees a report on—

"(A) the evaluations required under paragraph (2);

"(B) the number and types of students receiving assistance under this title for competency-based education programs offered under projects under this section;

"(C) any proposed statutory or regulatory changes designed to support and enhance the expansion of competency-based education programs, which may be independent of or combined with traditional credit hour or clock hour projects;

"(D) the most effective means of delivering competency-based education programs through projects under this section; and

"(E) the appropriate level and distribution methodology of Federal assistance under this title for students enrolled in a competency-based education program.

"(h) COORDINATION.—An eligible entity or the Director shall consult with the Secretary of Education or the Secretary of the Treasury to obtain the employment, earnings, and loan information that may be necessary for purposes of subsection (c)(2)(F) or subsection (g), respectively.

"(i) OVERSIGHT.—In carrying out this section, the Secretary shall, at least twice annually—

"(1) assure compliance of eligible entities with the requirements of this title (other than the provisions of law and regulations that are waived under subsection (e));

"(2) provide technical assistance;

"(3) monitor fluctuations in the student population enrolled in the eligible entities carrying out the demonstration projects under this section;

"(4) consult with appropriate accrediting agencies or associations and appropriate State regulatory authorities for additional ways of improving the delivery of competency-based education programs; and

"(5) collect and disseminate to eligible entities carrying out a demonstration project under this section, best practices with respect to such projects.

"(j) DATA PRIVACY.—

"(1) IN GENERAL.—It shall be unlawful for any person who obtains or has access to personally identifiable information pursuant to this section to knowingly disclose to any person (except as authorized in this section or any Federal law) such personally identifiable information.

"(2) PENALTY.—Any person who violates paragraph (1) shall be fined under title 18, United States Code.

"(3) OFFICER OR EMPLOYEE OF THE UNITED STATES.—If any officer or employee of the United States violates paragraph (1), the officer or employee shall be dismissed from office or discharged from employment upon conviction for the violation.

"(4) LAW ENFORCEMENT.—Personally identifiable information collected under this section shall not be used for any law enforcement activity or any other activity that would result in adverse action against any student, including debt collection activity or enforcement of the immigration laws.

"(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 to the Department to carry out the project under this section.

"(l) DEFINITIONS.—For the purpose of this section:

"(1) CAREER PATHWAY.—The term 'career pathway' has the meaning given the term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

"(2) COMPETENCY.—The term 'competency' means the knowledge, skill, and abilities demonstrated for a particular program of study.

"(3) COMPETENCY-BASED EDUCATION PROGRAM.—The term 'competency-based education program' means a postsecondary program that provides competency-based education for which the accrediting agency or association of the institution of higher education offering such program has established or will establish the standards described in subsection (c) and, in accordance with such standards—

"(A) measures academic progress and credential attainment by the assessment of student learning in lieu of, or in addition to, credit or clock hours;

"(B) measures and assesses such academic progress and attainment in terms of a student's mastery of competencies by identifying what students know and the skills mastered through rigorous assessment;

"(C) determines and reports to the Secretary the number of credit or clock hours that would be needed for the attainment of a similar level of knowledge, skills, and characteristics in a standard credit or clock hour program;

"(D) provides the educational content, activities, support, and resources necessary to enable students to develop and attain the competencies that are required to demonstrate mastery of such competencies, including a system for monitoring a student's engagement and progress in each competency, in which faculty are responsible for providing proactive academic assistance, when needed, on the basis of such monitoring;

"(E) upon a student's demonstration or mastery of a set of competencies identified and required by the institution, leads to or results in the awarding of a certificate or degree;

"(F) ensures that funds received under this title may be used only for learning that results from instruction provided or overseen by the institution and not for the portion of the program of which the student has demonstrated mastery prior to enrollment in the program or tests of learning that are not associated with educational activities overseen by the institution;

"(G) is organized in a manner that an institution can determine, based on the method of measurement selected by the institution, and approved by the accreditor as described in subsection (c), what constitutes a full-time, three-quarter time, half-time, and less than half-time workload for the purposes of awarding and administering assistance under this title, or assistance provided under another provision of Federal law to attend an institution of higher education; and

"(H) may use a disaggregated faculty model in which the educational responsibilities for an academic course are divided among a number of individuals, each performing specific tasks essential to instruction, including curriculum design, content delivery, and student assessment.

"(4) DIRECTOR.—The term 'Director' means the Director of the Institute of Education Sciences.

"(5) DUAL OR CONCURRENT ENROLLMENT PROGRAM.—The term 'dual or concurrent enrollment program' has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(6) ELIGIBLE ENTITY.—The term 'eligible entity' means an institution of higher education, which may be an institution of higher education that offers a dual or concurrent enrollment program.

"(7) FIRST GENERATION COLLEGE STUDENT.—The term 'first generation college student' has the meaning given the term in section 402A(h)(3).

"(8) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 102, except that such term does not include institutions described in section 102(a)(1)(C).".

(b) RULE OF CONSTRUCTION.—Nothing in this section or the amendments made by this section shall be construed to alter the authority of the Secretary of Education to establish experimental sites under any other provision of law.

SEC. 4616. COMPETENCY-BASED EDUCATION COUNCIL.

(a) ESTABLISHMENT OF A COMMITTEE ON COMPETENCY-BASED EDUCATION.—Not later than 6 months after the date of enactment of this Act, there shall be established the Competency-Based Education Council (referred to in this section as the "Council").

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Council shall be composed of—

(A) 3 individuals appointed by the Secretary of Education;

(B) 2 individuals appointed by the Director of the Bureau of Consumer Financial Protection;

(C) not less than 8 and not more than 13 individuals appointed by the Comptroller General of the United States, representing—

(i) experts in competency-based education;

(ii) faculty members in competency-based education programs;

(iii) faculty members in non-competency based education programs;

(iv) administrators at institutions that offer competency-based education programs;

(v) individuals currently enrolled in or graduated from a competency-based education program;

(vi) accrediting agencies or associations that recognize competency-based education programs;

(vii) experts from State educational agencies; and

(viii) business and industry representatives; and

(D) 4 members appointed by—

(i) the Majority Leader of the Senate;

(ii) the Minority Leader of the Senate;

(iii) the Speaker of the House of Representatives; and

(iv) the Minority Leader of the House of Representatives.

(2) CHAIRPERSON.—The Council shall select a Chairperson from among its members.

(3) VACANCIES.—Any vacancy in the Council shall not affect the powers of the Council and shall be filled in the same manner as an initial appointment.

(c) MEETINGS.—The Council shall hold, at the call of the Chairperson, not less than 6 meetings before completing the study required under subsection (e) and the report required under subsection (f).

(d) PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—Each member of the Council shall serve without compensation in addition to any such compensation received for the member's service as an officer or employee of the United States, if applicable.

(2) TRAVEL EXPENSES.—The members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter 1 of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Council.

(e) DUTIES OF THE COUNCIL.—

(1) STUDY.—The Council shall conduct a study on the ongoing innovation and development of competency-based education programs.

(2) RECOMMENDATIONS.—Based on the findings of the study under paragraph (1), and the annual evaluations of the demonstration projects under section 486C of the Higher Education Act of 1965, as added by section 4615 of this Act, the Council shall develop recommendations for the authorization of competency-based education under the Higher Education Act of 1965, including recommendations that—

(A) provide or update standard definitions, if needed, for relevant terms, including—

(i) competency-based education;

(ii) competency-based education program including quality indicators, that include appropriate student outcome metrics, for such programs; and

(iii) any other relevant definitions agreed upon; and

(B) address—

(i) the amount of learning in a competency unit;

(ii) the transfer of competency-based education credits to other institutions or programs;

(iii) the minimum amount of time in an academic year for competency-based education programs, for financial aid purposes;

(iv) considerations for accreditation agencies before recognizing competency-based education programs;

(v) address the role of faculty and faculty involvement in competency-based education programs;

(vi) additional resources that may be needed for adequate oversight of competency-based education programs; and

(vii) the responsiveness of competencies to the labor market and employers.

(f) REPORTS.—

(1) INTERIM REPORTS.—Not later than 2 years after the date of enactment of this Act, and biennially thereafter until the final report is submitted under paragraph (2), the Council shall prepare and submit to the Secretary of Education and Congress, and make available to the public, a report that provides ongoing feedback to the annual evaluations of the demonstration projects under section 486C(g)(2) of the Higher Education Act of 1965, as added by section 4615 of this Act, including a discussion of implementation challenges programs face, and the items listed in subsection (e)(2)(B).

(2) FINAL REPORT.—Not later than 6 years after the date of enactment of this Act, the Council shall prepare and submit to the Secretary of Education and Congress, and make available to the public, a report containing the findings of

the study under subsection (e)(1) and the recommendations developed under subsection (e)(2).

SEC. 4617. WRITTEN ARRANGEMENTS TO PROVIDE EDUCATIONAL PROGRAMS.

Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.) is amended by inserting after section 486C (as added by section 4615 of this Act) the following:

"SEC. 486D. WRITTEN ARRANGEMENTS TO PROVIDE EDUCATIONAL PROGRAMS.

"(a) WRITTEN ARRANGEMENTS BETWEEN ELIGIBLE INSTITUTIONS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), if an eligible institution enters into a written arrangement with another eligible institution, or with a consortium of eligible institutions, under which the other eligible institution or consortium provides part of the educational program to students enrolled in the first institution, the Secretary shall consider that educational program to be an eligible program if the educational program offered by the institution that grants the degree or certificate otherwise satisfies the requirements for eligibility under this title.

"(2) COMMON OWNERSHIP OR CONTROL.—If the written arrangement described in paragraph (1) is between two or more eligible institutions that are owned or controlled by the same individual, partnership, or corporation, the Secretary shall consider the educational program to be an eligible program if—

"(A) the educational program offered by the institution that grants the degree or certificate otherwise satisfies the requirements for eligibility under this title; and

"(B) the institution that grants the degree or certificate provides more than 50 percent of the educational program.

"(b) WRITTEN ARRANGEMENTS FOR STUDY-ABROAD.—Under a study abroad program, if an eligible institution enters into a written arrangement under which an institution in another country, or an organization acting on behalf of an institution in another country, provides part of the educational program of students enrolled in the eligible institution, the Secretary considers that educational program to be an eligible program if it otherwise satisfies the requirements of paragraphs (1) through (3) of subsection (c).

"(c) WRITTEN ARRANGEMENTS BETWEEN AN ELIGIBLE INSTITUTION AND AN INELIGIBLE INSTITUTION OR ORGANIZATION.—If an eligible institution enters into a written arrangement with an institution or organization that is not an eligible institution under which the ineligible institution or organization provides part of the educational program of students enrolled in the eligible institution, the Secretary shall consider that educational program to be an eligible program if—

"(1) the ineligible institution or organization has not—

"(A) had its eligibility to participate in the programs under this title terminated by the Secretary;

"(B) voluntarily withdrawn from participation programs under this title under a termination, show-cause, suspension, or similar type proceeding initiated by the institution's State licensing agency, accrediting agency, guarantor, or by the Secretary;

"(C) had its certification to participate in programs under this title revoked by the Secretary;

"(D) had its application for re-certification to participate in programs under this title denied by the Secretary; or

"(E) had its application for certification to participate in programs under this title denied by the Secretary;

"(2) the ineligible institution or organization does not have any role in the admission of students into the educational program;

"(3) the educational program offered by the institution that grants the degree or certificate otherwise satisfies the requirements for eligibility under this title; and

"(4)(A) the ineligible institution or organization provides 25 percent or less of the educational program; or

"(B)(i) the ineligible institution or organization provides more than 25 percent but less than 50 percent of the educational program;

"(ii) the eligible institution and the ineligible institution or organization are not owned or controlled by the same individual, partnership, or corporation;

"(iii) the eligible institution's accrediting agency, or if the institution is a public postsecondary vocational educational institution, the State agency determined by the Secretary to be a reliable authority as to the quality of public postsecondary vocational education pursuant to section 487(c)(4), has specifically determined that the institution's arrangement meets the agency's standards for the contracting out of educational services; and

"(iv) the eligible institution provides to the Secretary the institution's expenditures on instruction, student services, marketing, recruitment, advertising, and lobbying made available under section 132(i)(1)(AA) with respect to the portion of the educational program covered by the written arrangement.

"(d) ADMINISTRATION OF TITLE IV PROGRAMS.—

"(1) IN GENERAL.—If an institution enters into a written arrangement as described in subsection (a), subsection (b), or subsection (c), except as provided in paragraph (2), the institution at which the student is enrolled as a regular student shall determine the student's eligibility for funds under this title, and shall calculate and disburse those funds to that student.

"(2) SPECIAL RULE FOR ARRANGEMENTS BETWEEN ELIGIBLE INSTITUTIONS.—In the case of a written arrangement between eligible institutions, the institutions may agree in writing to have any eligible institution in the written arrangement calculate and disburse funds under this title to the student and the Secretary shall not consider that institution to be a third party servicer for that arrangement.

"(3) CALCULATION AND DISBURSEMENT.—The institution that calculates and disburses a student's funds under paragraph (1) or paragraph (2) must—

"(A) take into account all the hours in which the student enrolls at each institution that apply to the student's degree or certificate when determining the student's enrollment status and cost of attendance; and

"(B) maintain all records regarding the student's eligibility for and receipt of funds under this title.

"(e) INFORMATION MADE AVAILABLE TO STUDENTS.—If an institution enters into a written arrangement described in subsection (a), subsection (b), or subsection (c), the institution shall provide directly to enrolled and prospective students, and make available on a publicly accessible website of the institution, a description of written arrangements the institution has entered into in accordance with this section, including information on—

"(1) the portion of the educational program that the institution that grants the degree or certificate is not providing;

"(2) the name and location of the other institutions or organizations that are providing the portion of the educational program that the institution that grants the degree or certificate is not providing;

"(3) the method of delivery of the portion of the educational program that the institution that grants the degree or certificate is not providing; and

"(4) estimated additional costs students may incur as the result of enrolling in an educational program that is provided, in part, under the written arrangement.".

SEC. 4618. IMPROVEMENTS TO PROGRAM PARTICIPATION AGREEMENTS.

(a) ALCOHOL AND SUBSTANCE MISUSE PREVENTION.—Section 487(a)(10) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(10)) is amended by striking "a drug abuse prevention program" and inserting "an alcohol and substance misuse prevention program in accordance with section 120".

(b) ADJUSTED COHORT DEFAULT RATE.—Section 487(a)(14) of the Higher Education Act of 1965 is amended by adding at the end the following:

"(D) Beginning on the date on which the final adjusted cohort default rates are published by the Secretary for fiscal year 2018 under section 435(m), subparagraph (C) shall be applied by substituting 'adjusted cohort default rate in excess of 5 percent' for 'cohort default rate in excess of 10 percent' each place it appears.".

(c) POSTSECONDARY DATA.—Paragraph (17) of section 487(a) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is amended to read as follows:

"(17) The institution of higher education (or the assigned agent of such institution) shall collect and submit data to the Commissioner for Education Statistics in a timely manner in accordance with—

"(A) section 132(l);

"(B) nonstudent-related surveys within the Integrated Postsecondary Education Data System (IPEDS); and

"(C) any other Federal postsecondary data collection effort.".

(d) ACCESS TO HOUSING FOR FOSTER YOUTH.—Section 487(a)(19) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(19)) is amended—

(1) by striking "The institution will not" and inserting the following: "The institution—

"(A) will not";

(2) by inserting "housing facilities," after "libraries,";

(3) by striking "institution." and inserting "institution; and"; and

(4) by adding at the end the following:

"(B) will provide a means for students to access institutionally owned or operated housing if a student is temporarily unable to meet financial obligations related to housing, including deposits, due to delayed disbursement of vouchers for education and training made available under section 477 of part E of title IV of the Social Security Act or delays attributable to the institution.".

(e) DISTRIBUTION OF VOTER REGISTRATION FORMS.—

Section 487(a)(23)(A) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(23)(A)) is amended by striking ", if located in a State to which section 4(b) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–2(b)) does not apply,".

(f) PROPRIETARY INSTITUTIONS.—

(1) 85/15 RULE.—

(A) AMENDMENT.—Section 487(a)(24) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(24)) is amended by striking "not less than ten percent of such institution's revenues from sources other than funds provided under this title" and inserting "not less than 15 percent of such institution's revenues from sources other than Federal education assistance funds".

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall take effect on July 1, 2022.

(2) REPEALS.—

(A) IN GENERAL.—Subsections (a)(24) and (d)(2) of section 487 the Higher Education Act of 1965 (20 U.S.C. 1094) are repealed.

(B) EFFECTIVE DATE.—The repeals made by this paragraph shall take effect on July 1, 2023.

(g) WRITTEN ARRANGEMENTS WITH OTHER INSTITUTIONS.—Section 487(a) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is amended by adding at the end the following:

"(30) In the case of an institution that enters into a written arrangement with an organization or another institution to provide part of an educational program, the institution will comply with the applicable requirements of section 486D.".

SEC. 4619. COMPLIANCE WITH THE CIVIL RIGHTS ACT OF 1964.

Section 487(a) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)), as amended by the preceding sections, is further amended by adding at the end the following:

"(31) The institution will—

"(A) designate at least one employee to coordinate compliance with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), including any investigation of any complaint alleging—

"(i) noncompliance with such title; and

"(ii) any actions prohibited by such title;

"(B) annually submit a report to the Secretary that includes all complaints described in subparagraph (A) with respect to such institution;

"(C) make the report under subparagraph (B) publicly available on the internet website of the institution; and

"(D) notify students and employees of—

"(i) the name, office address, and telephone number of each employee designated under subparagraph (A);

"(ii) the report under subparagraph (B);

"(iii) the enforcement policies of the institution with respect to such title; and

"(iv) the procedure for reporting and investigating complaints under such title.".

SEC. 4620. SUBMISSION OF DATA WITH RESPECT TO STUDENTS WITH DISABILITIES.

Section 487(a) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)), as amended by the preceding sections, is further amended by adding at the end the following:

"(32) The institution will submit, for inclusion in the postsecondary student data system established under section 132(l), the Integrated Postsecondary Education Data System of the Department, or any other Federal postsecondary institution data collection effort, key data related to undergraduate and graduate students enrolled at the institution who are formally registered as students with disabilities with the institution's office of accessibility, including the total number of students with disabilities enrolled, the number of students accessing or receiving accommodation, the percentage of students with disabilities of all undergraduate students, and the total number of undergraduate certificates or degrees awarded to students with disabilities. An institution shall not be required to submit the information described in the preceding sentence if the

number of such students would reveal personally identifiable information about an individual student.".

SEC. 4621. EDUCATION PROGRAM ON HAZING.

(a) EDUCATIONAL PROGRAM ON HAZING.—Section 487(a) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)), as amended by the preceding sections, is further amended by adding at the end the following:

"(33) The institution will provide students with an educational program on hazing (as that term is defined in section 485(f)(6)(A)(vii)), which shall include information on hazing awareness, hazing prevention, and the institution's policies on hazing.".

SEC. 4622. CHANGES TO PROGRAM PARTICIPATION AGREEMENTS TO STRENGTHEN CONSUMER PROTECTIONS.

(a) PROHIBITION ON LOSS OF ACCESS TO TRANSCRIPTS FOR LOAN DEFAULT.—Section 487(a) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is further amended by adding at the end the following:

"(34)(A) The institution will not prohibit a student from accessing the student's transcripts, degree scrolls, or other certifications of coursework or educational attainments at the institution because the student is in default on the repayment of a loan made, insured, or guaranteed under this title.

"(B) For purposes of this paragraph, the term 'student' includes former students.".

(b) PROHIBITION ON LIMITATIONS ON ABILITY OF STUDENTS TO PURSUE CLAIMS AGAINST CERTAIN INSTITUTIONS OF HIGHER EDUCATION.—Section 487(a) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is further amended by adding at the end the following:

"(35) No agreement between the institution and any student will contain any limitation or restriction (including a limitation or restriction on any available choice of applicable law, a jury trial, or venue) on the ability of the student to pursue a claim, individually or with others, against an institution in court.".

SEC. 4623. MISREPRESENTATION AND SUBSTANTIAL MISREPRESENTATION DEFINED.

Section 487(c)(3) of the Higher Education Act of 1965 (20 U.S.C. 1094(c)(3)) is amended—

(1) in subparagraph (B)(i), by striking "$25,000" and inserting "$60,000"; and

(2) by adding at the end the following:

"(C) In this paragraph:

"(i) The term 'misleading' means having the likelihood or tendency to mislead under the circumstances.

"(ii) The term 'misrepresentation'—

"(I) means any false, erroneous, or misleading statement an institution, one of its representatives, or a third-party servicer (as defined in section 481(c)) makes directly or indirectly to a student, prospective student or any member of the public, or an accrediting agency, a State agency, or to the Secretary; and

"(II) includes any statement that omits information in such a way as to make the statement false, erroneous, or misleading.

"(iii) The term 'statement' means any communication made in writing, visually, orally, or through other means.

"(iv) The term 'substantial misrepresentation' means any misrepresentation on which the person to whom such misrepresentation was made could reasonably be expected to rely, or has reasonably relied, to that person's detriment.".

SEC. 4624. REVENUE REQUIREMENT.

(a) AMENDMENTS.—Section 487(d) of the Higher Education Act of 1965 (20 U.S.C. 1094(d)) is amended—

(1) in the subsection heading, by striking "TITLE IV" and inserting "FEDERAL EDUCATION ASSISTANCE FUNDS";

(2) in paragraph (1)—

(A) in subparagraph (B)(iii)—

(i) in subclause (II), by striking "or";

(ii) in subclause (III), by adding "or" at the end; and

(iii) by adding at the end the following:

"(IV) provides industry-related skills training pursuant to a contract with an entity that is an independent third-party (such as an employer), except that revenues from such skills training shall not exceed 5 percent of the institution's revenues for the purposes of the calculation under this paragraph, if the institution—

"(aa) does not offer more than 50 percent of the institution's courses exclusively through distance education;

"(bb) ensures that less than 50 percent of students enrolled at the institution are enrolled exclusively in courses offered through distance education; and

"(cc) was providing such skills training pursuant to such contract before the date of enactment of the College Affordability Act;";

(B) in subparagraph (C), in the matter preceding clause (i), by striking "funds for a program under this title" and inserting "Federal education assistance funds"; and

(C) in subparagraph (D)(ii), by inserting "(including any financing or credit instrument of which the institution was a holder or guarantor)" after "proprietary institution of higher education";

(3) in paragraph (3)—

(A) in the paragraph heading, by striking "COLLEGE NAVIGATOR" and inserting "DEPARTMENT OF EDUCATION"; and

(B) in the matter preceding subparagraph (A), by striking "on the College Navigator" and inserting "on a Department of Education"; and

(4) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by inserting "and make publicly available" after "committees"; and

(B) in subparagraph (A), by striking "sources under this title" and inserting "Federal education assistance funds".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 2022.

SEC. 4625. TEACH-OUT PLANS.

Section 487(f)(2) of the Higher Education Act of 1965 (20 U.S.C. 1094(f)(2)) is amended to read as follows:

"(2) TEACH-OUT PLAN DEFINED.—In this subsection, the term 'teach-out plan' means a written plan that provides for the equitable treatment of students if an institution of higher education ceases to operate before all students have completed their program of study that—

"(A) shall include—

"(i) a process to maintain a complete list of such students and the estimated date of completion of each such student's program of study; and

"(ii) a record retention plan that includes—

"(I) a plan to provide each student with the transcript of such student, at no cost to such student, regardless of whether such student chooses to participate in a teach-out or transfer; and

"(II) the policies and procedures required under subparagraphs (B) and (C) of section 495(a)(6); and

"(B) may include—

"(i) if required by the institution's accrediting agency or association, an agreement between institutions for such a teach-out plan; and

"(ii) such other information as the Secretary may require.".

SEC. 4626. EXPERIMENTAL PROGRAMS.

Section 487A of the Higher Education Act of 1965 (20 U.S.C. 1094a) is amended to read as follows:

"SEC. 487A. EXPERIMENTATION WITH STATUTORY AND REGULATORY FLEXIBILITY.

"(a) EXPERIMENTAL SITES.—The Secretary is authorized to periodically select a limited number of institutions for voluntary participation as experimental sites to test the effectiveness of approaches to statutory and regulatory flexibility that—

"(1) to the extent appropriate, may lead to a reduction of regulatory burden on institutions of higher education or the Department of Education, except that the Secretary shall not waive any requirement of this title for any institution participating as an experimental site that would reduce the protections or the information provided to a student under this Act; and

"(2) aim to increase student success, as determined in accordance with subsection (g).

"(b) CONTINUING AND DISCONTINUING EXPERIMENTS AND EXPERIMENTAL SITES.—The Secretary may continue any experiment or the voluntary participation of any experimental site in existence as of the date of enactment of the College Affordability Act, unless the Secretary determines that such experiment or site has not been successful in increasing student success as determined in accordance with subsection (g). Any experiment or experimental site approved by the Secretary prior to the date of enactment of the College Affordability Act that has not been successful

in increasing student success shall be discontinued before the first day of the first award year beginning after such date.

"(c) WAIVERS.—The Secretary is authorized to waive, for any institution participating as an experimental site under subsection (a), any requirements in this title, including requirements related to the award process and disbursement of student financial aid (such as innovative delivery systems for modular or compressed courses, or other innovative systems), verification of student financial aid application data, entrance and exit interviews, or other management procedures or processes as determined in the negotiated rulemaking process under section 492, or regulations prescribed under this title, that will bias the results of the experiment, except that the Secretary shall not waive any provisions with respect to award rules (other than an award rule related to an experiment in modular or compressed schedules), grant and loan maximum award amounts, and need analysis requirements unless the waiver of such provisions is authorized by another provision under this title.

"(d) EVALUATION PLAN REQUIRED.—Before notifying institutions of the intent of the Secretary to carry out an experiment under this section, the Secretary, in consultation with the Director of the Institute of Education Sciences, shall develop an evaluation plan for the experiment. The evaluation plan shall include the following:

"(1) Identification of the methodology to be used for collecting data on the experiment which shall include, to the extent practicable, a methodology that allows for the disaggregation of data by age, race, gender, disability status, status as a veteran or member of the Armed Forces, status as a first generation college student, and status as a recipient of a Federal Pell Grant under section 401.

"(2) Identification of the rigorous evaluation methods to be used for determining the impact of the experiment, which shall include, to the extent practicable—

"(A) a randomized controlled design; and

"(B) an assessment of whether the experiment has a differential impact on any group described in paragraph (1).

"(3) A schedule for conducting the experiment in accordance with the duration limit specified in subsection (f).

"(4) An estimate of the cost of conducting the experiment, to the extent practicable.

"(5) An estimate of the size of the study sample (such as the number of participating students or institutions) needed to determine if the experiment has statistically significant effects.

"(e) LIMITATION PENDING NOTICE TO CONGRESS.—

"(1) LIMITATION.—The Secretary may not carry out an experiment at an experimental site under this section until a period of 60 days has elapsed following the date on which the Secretary submits to the authorizing committees the notice described in paragraph (2).

"(2) NOTICE TO CONGRESS.—The notice described in this paragraph is a written notice that includes—

"(A) a description of the experiment proposed to be carried out by the Secretary, including the rationale for the proposed experiment;

"(B) the policy-relevant questions the Secretary intends to evaluate through the experiment and an explanation of how the design of the experiment will allow the Secretary to best answer those questions;

"(C) a list of the specific statutory and regulatory requirements that the Secretary intends to waive with respect to an institution participating as an experimental site and the legal authority for such waivers;

"(D) an explanation of how the statutory and regulatory flexibility provided to an institution participating as an experimental site is expected to increase student success, as required under subsection (a); and

"(E) a copy of the evaluation plan developed under subsection (d).

"(f) DURATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the duration of an experiment under this section shall not exceed a period of four years beginning with the first award year for which Federal financial aid is disbursed to students participating in the experiment.

"(2) EXTENSION.—The Secretary may extend an experiment for up to two years beyond the four-year period specified in paragraph (1) on a case-by-case basis.

"(g) DETERMINATION OF SUCCESS.—For the purposes of subsection (a), the Secretary shall make a determination of success regarding an institution's participation as an experimental site based on—

"(1) whether, and to what extent, student outcomes improve as a direct result of the experiment;

"(2) whether the experimental site improves the delivery of services to, or otherwise benefitted, students; and

"(3) the extent to which the experiment reduces administrative burdens on institutions participating as experimental sites, as documented in the Secretary's annual report under subsection (h)(3), without harming students.

"(h) OUTCOMES REPORTING.—

"(1) DATA SUBMISSION.—Each institution participating as an experimental site shall submit to the Secretary, on a periodic basis to be determined by the Secretary, data on outcomes relating to the experiment carried out at the site.

"(2) REVIEW AND EVALUATION.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall review and rigorously evaluate the activities of each institution participating as an experimental site.

"(B) EVALUATION METHODOLOGY.—To the extent practicable, the evaluation under subparagraph (A) shall be based on data collected in accordance with the data collection methodology specified in the evaluation plan for the experiment under subsection (d)(1).

"(3) ANNUAL REPORT.—On an annual basis, the Secretary shall submit to the authorizing committees a report based on the review and evaluation carried out under paragraph (2). Each report shall include, with respect to each experiment carried out by the Secretary during the period covered by the report, the following:

"(A) A summary of the status of the experiment.

"(B) A list identifying each institution participating as an experimental site.

"(C) The specific statutory or regulatory waivers granted to each institution participating as an experimental site.

"(D) In a case in which data on the experiment is not collected in accordance with the methodology specified in the evaluation plan under subsection (d)(1)—

"(i) the reasons that such methodology was not used to collect data on the experiment; and

"(ii) a description of the alternative data collection methodology used for the experiment.

"(E) An evaluation of the quality of data yielded by the experiment.

"(F) A summary and analysis of the findings, to date, of the experiment.

"(G) An assessment of whether the experiment has had a differential impact on any group listed in subsection (d)(1).

"(H) An explanation of any current or foreseen barriers to conducting the experiment.

"(I) In the case of an experiment for which the Secretary determines there is sufficient value in continuing the experiment past the duration limit specified in subsection (f)(1), adequate documentation to justify such continuation.

"(4) FINAL REPORT.—Not later than 180 days after the conclusion of each experiment, the Secretary shall submit to the authorizing committees a report that includes the following:

"(A) A summary of the data yielded by the experiment, including, to the extent practicable, data on the results of the experiment disaggregated by age, race, gender, disability status, status as a veteran or member of the Armed Forces, status as a first generation college student, and status as a recipient of a Federal Pell Grant under section 401.

"(B) The conclusions reached regarding each experiment conducted.

"(C) Recommendations, based on the results of the experiment—

"(i) to improve and streamline relevant statutes, including this Act; and

"(ii) for improvements to relevant regulations.

"(D) An explanation of any changes to regulations that the Secretary intends to make as a result of the experiment.

"(5) PUBLIC AVAILABILITY.—Each report submitted under paragraphs (3) and (4) shall be made available on a publicly accessible website of the Department of Education.

"(i) FAST-TRACK PROCESS TO COMPLY WITH INFORMATION COLLECTION REQUIREMENTS.—The requirements of section 3507 of title 44, United States Code, shall not apply to the collection of information by the Department of Education on experiments carried out in accordance with this section.".

SEC. 4627. ADMINISTRATIVE EXPENSES.

Section 489(a) of the Higher Education Act of 1965 (20 U.S.C. 1096(a)) is amended—

(1) in the second sentence, by striking "or under part E of this title"; and

(2) in the third sentence—

(A) by inserting "and" after "subpart 3 of part A,"; and

(B) by striking "compensation of students," and all that follows through the period and inserting "compensation of students.".

SEC. 4628. CRIMINAL PENALTIES FOR MISUSE OF ACCESS DEVICES.

(a) IN GENERAL.—Section 490 (20 U.S.C. 1097) is amended by adding at the end the following:

"(e) ACCESS TO DEPARTMENT OF EDUCATION INFORMATION TECHNOLOGY SYSTEMS FOR FRAUD, COMMERCIAL ADVANTAGE, OR PRIVATE FINANCIAL GAIN.—Any person who knowingly uses an access device, as defined in section 1029(e)(1) of title 18, United States Code, issued to another person or obtained by fraud or false statement to access Department information technology systems for purposes of obtaining commercial advantage or private financial gain, or in furtherance of any criminal or tortious act in violation of the Constitution or laws of the United States or of any State, shall be fined not more than $20,000, imprisoned for not more than 5 years, or both.".

(b) GUIDANCE.—The Secretary shall issue guidance regarding the use of access devices in a manner that complies with this section, and the amendments made by this section.

(c) EFFECTIVE DATE OF PENALTIES.—The penalties described in section 490(e) of the Higher Education Act of 1965 (20 U.S.C. 1097), as added by subsection (a), shall take effect the day after the date on which the Secretary issues guidance regarding the use of access devices, as described in subsection (b).

SEC. 4629. REGIONAL MEETINGS AND NEGOTIATED RULEMAKING.

Section 492 of the Higher Education Act of 1965 (20 U.S.C. 1098a) is amended—

(1) in subsection (a)(1), by striking "students, institutions of higher education, State student grant agencies, guaranty agencies, lenders, secondary markets, loan servicers, guaranty agency servicers, and collection agencies" and inserting "students and borrowers, consumer representatives, institutions of higher education, and contractors responsible for carrying out student financial assistance programs under this title"; and

(2) in subsection (b)—

(A) in paragraph (1), by striking "both representatives of such groups from Washington, D.C., and industry participants" and inserting "representatives that are broadly representative of constituencies in different sectors and geographic locations"; and

(B) by adding at the end the following:

"(3) NEGOTIATED RULEMAKING PROCESS.—In carrying out a negotiated rulemaking process required under this section, the Secretary shall—

"(A) to the extent practicable, comply with requests from the participants in such negotiated rulemaking process for data;

"(B) make publicly available issue papers and the proposed regulations described in paragraph (1) in a timely manner that allows for public review;

"(C) make video recordings of each negotiated rulemaking session publicly available through simultaneous transmission;

"(D) archive the video recordings described in subparagraph (C) in a publicly available manner; and

"(E) make publicly available the transcripts of each such negotiated rulemaking session.".

SEC. 4630. INCOME-BASED REPAYMENT PLAN.

(a) OPTIONS TO ENTER INTO THE NEW FIXED REPAYMENT PLAN AND INCOME-BASED REPAYMENT PLAN.—Section 493C(b) of the Higher Education Act of 1965 (20 U.S.C. 1098e) is amended—

(1) in paragraph (7)(B)—

(A) by striking "or" at the end of clause (iv); and

(B) by adding at the end the following:

"(vi) has made payments under the income-based repayment plan under section 493C(f); or

"(vii) has made payments under the fixed repayment plan described in section 493E;";

(2) by amending paragraph (8) to read as follows:

"(8) a borrower who is repaying a loan made under part B or D pursuant to income-based repayment may elect, at any time, to terminate repayment pursu-

ant to income-based repayment and repay such loan under the income-based repayment plan under section 493C(f) or the fixed repayment plan described in section 493E;";

(3) in paragraph (9), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following:

"(10) a borrower who is repaying a loan made, insured, or guaranteed under part B or D pursuant to this section may repay such loan in full at any time without penalty.".

(b) AUTOMATIC RECERTIFICATION OF INCOME FOR INCOME-DRIVEN REPAYMENT PLANS.—Section 493C(c) of the Higher Education Act of 1965 (20 U.S.C. 1098e(c)) is amended—

(1) by striking "The Secretary shall establish" and inserting the following:

"(1) IN GENERAL.—The Secretary shall establish";

(2) by striking "The Secretary shall consider" and inserting the following:

"(2) PROCEDURES FOR ELIGIBILITY.—The Secretary shall—

"(A) consider"; and

(3) by striking "428C(b)(1)(E)." and inserting the following: "428C(b)(1)(E); and

"(B) beginning as soon as the Secretary determines practicable after the Secretary finalizes the procedures required under section 9004 of the College Affordability Act, but not later than 2 years after the date of enactment of such Act, carry out, with respect to borrowers of any covered loan (as defined in section 455(d)(10)), including such borrowers who select, or for whom the Secretary selects under paragraph (8)(C) or (9)(C) of subsection (d), or section 428(m)(1), the income-based repayment plan under subsection (f), procedures for income-based repayment plans under this section that are equivalent to the procedures carried out under section 455(e)(9) with respect to income contingent repayment plans.".

(c) INCOME-BASED REPAYMENT.—Section 493C of the Higher Education Act of 1965 (20 U.S.C. 1098e) is further amended by adding at the end the following:

"(f) INCOME-BASED REPAYMENT FOR NEW LOANS ON AND AFTER JULY 1, 2021, AND FOR BORROWERS WHO ENTER INCOME-BASED REPAYMENT AFTER JUNE 30, 2021.—

"(1) IN GENERAL.—The income-based repayment plan under this subsection shall be carried out in accordance with this section, except as otherwise specified in this subsection—

"(A) with respect to any loan made under part D on or after July 1, 2021, if such borrower elects such income-based repayment plan for the loan; and

"(B) with respect to any loan made, insured, or guaranteed under part B or D on or before June 30, 2021, if such borrower elects to repay the loan under such income-based repayment plan on or after July 1, 2021.

"(2) SPECIAL TERMS.—Notwithstanding any other provision of this section, with respect to a loan described under paragraph (1), the following terms shall apply to the income-based repayment plan under this subsection:

"(A)(i) Notwithstanding subsection (a)(3)(B), the repayment amount under this subsection shall be an amount equal to 10 percent of the result obtained by calculating, on at least an annual basis, the amount by which the adjusted gross income of the borrower (subject to clause (ii)) exceeds the applicable percentage of the poverty line in accordance with clause (iii).

"(ii)(I) Subject to subclause (II), in the case of a married borrower (regardless of tax filing status), clause (i) shall be applied by substituting 'the adjusted gross income of the borrower and the borrower's spouse' for 'the adjusted gross income of the borrower'.

"(II) Subclause (I) shall not be applicable to any borrower who is married and who certifies to the Secretary through a form approved by the Secretary that the borrower is—

"(aa) separated from the spouse of the borrower; or

"(bb) unable to reasonably access the income information the spouse of such borrower.

"(iii) For purposes of clause (i), the term 'applicable percentage' means 250 percent of the poverty line applicable to the borrower's family size (as determined under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)))—

"(I) reduced by 10 percentage points for each $1,000 by which the borrower's adjusted gross income (in the case of a single borrower) exceeds $80,000; and

"(II) reduced by 10 percentage points for each $2,000 by which the borrower's adjusted gross income (in the case of a married borrower (regardless of filing status)), exceeds $160,000.

"(B) Subsection (b)(7)(B) shall apply by substituting '20 years' for '25 years'.

"(C) A borrower of such a loan may elect, and remain enrolled in, the income-based repayment plan under this subsection regardless of—

"(i) whether such borrower has a partial financial hardship; and

"(ii) the income level of the borrower.

"(D) Notwithstanding subparagraph (A) of subsection (b)(6), a borrower's monthly payment—

"(i) shall be equal to the repayment amount determined under subparagraph (A) divided by 12; and

"(ii) may exceed the monthly repayment amount under a standard 10-year repayment plan or a fixed repayment plan described in section 493E.

"(E) Subparagraph (B) of subsection (b)(3) shall not apply.

"(F) Subsection (d) shall not apply.

"(G) In the case of a Federal Direct Consolidation Loan made on or after the date of enactment of the College Affordability Act that is being repaid under this subsection, any monthly payment made pursuant to any repayment plan listed in subsection (b)(7)(B) on a loan for which the liability has been discharged by the proceeds of such consolidation loan shall be treated as a monthly payment under this subsection on the portion of such consolidation loan that is attributable to such discharged loan, except that in the case of a subsequent consolidation loan, for purposes of this clause—

"(i) any monthly payment made on the first consolidation loan or any other loan for which the liability has been discharged by such subsequent consolidation loan shall be applicable; and

"(ii) any monthly payment made on a loan for which the liability has been discharged by such first consolidation loan shall not be applicable.

"(3) ADDITIONAL SPECIAL TERMS FOR CERTAIN BORROWERS.—A borrower described in paragraph (1)(B)—

"(A) may—

"(i) choose to continue repayment pursuant to the repayment plan in which the borrower is enrolled on June 30, 2021; or

"(ii) make a one-time election to—

"(I) terminate repayment pursuant to the repayment plan described in clause (i) and enter the income-based repayment plan under this subsection; or

"(II) terminate repayment pursuant to the repayment plan described in clause (i) and enter a fixed repayment plan described in section 493E; and

"(B) who makes an election under subparagraph (A)(ii), shall not repay a loan described in paragraph (1)(B) under a repayment plan that is not an income-based repayment plan under this subsection or a fixed repayment plan described in section 493E.

"(4) WRITTEN, ELECTRONIC, OR VERBAL ENROLLMENT IN INCOME-BASED REPAYMENT.—

"(A) IN GENERAL.—The Secretary shall develop and implement a process that is consistent with any procedures (including verification procedures) established under subsection (c), which enables a covered borrower of a loan made under part D who desires to elect to repay such loan under income-based repayment under this subsection to make such election through written, electronic, or verbal notice to the Secretary.

"(B) COVERED BORROWER DEFINED.—In this paragraph, the term 'covered borrower' means a borrower of a loan made under part D who—

"(i) is enrolled in the fixed repayment plan under section 493E; or

"(ii) has not yet selected a repayment plan.

"(g) SPECIAL RULE FOR REFINANCED LOANS.—

"(1) REFINANCED FEDERAL DIRECT AND FFEL LOANS.—In calculating the period of time during which a borrower of a loan that is refinanced under section 460A has made monthly payments for purposes of subsection (b)(7), the Secretary shall include each month in which a monthly payment was made for the original loan or the refinanced loan, if such monthly payment otherwise meet the requirements of this section.

"(2) FEDERAL DIRECT REFINANCED PRIVATE LOANS.—In calculating the period of time during which a borrower of a Federal Direct Refinanced Private Loan under section 460B has made monthly payments for purposes of subsection (b)(7), the Secretary shall include only payments—

"(A) that are made after the date of the issuance of the Federal Direct Refinanced Private Loan; and

"(B) that otherwise meet the requirements of this section.".

SEC. 4631. FIXED REPAYMENT PLAN.

Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.) is further amended by adding at the end the following:

"SEC. 493E. FIXED REPAYMENT PLAN.

"(a) IN GENERAL.—A borrower of a loan made under this part on or after July 1, 2021, and a borrower who is in repayment on a loan made, insured, or guaranteed under part B or part D before July 1, 2021, may elect to repay such loan under the fixed repayment plan described in this section.

"(b) FIXED REPAYMENT PLAN.—Under the fixed repayment plan, a borrower whose total outstanding amount of principal and interest on such a loan (as of the day before entering repayment on such loan)—

"(1) is equal to or less than $20,000, shall repay such loan with a fixed monthly repayment amount paid over a period of 10 years;

"(2) is more than $20,000 and less than $30,000, shall repay such loan with a fixed monthly repayment amount paid over a period of—

"(A) 15 years; or

"(B) the period described in paragraph (1), if the borrower elects such period;

"(3) is equal to or greater than $30,000, and less than $40,000, shall repay such loan with a fixed monthly repayment amount paid over a period of—

"(A) 20 years; or

"(B) the period described in paragraph (1) or (2), if the borrower elects such period; and

"(4) is equal to or greater than $40,000, shall repay such loan with a fixed monthly repayment amount paid over a period of—

"(A) 25 years; or

"(B) the period described in any of paragraphs (1) through (3), if the borrower elects such period.

"(c) TREATMENT OF CERTAIN CONSOLIDATION LOANS.—In the case of a Federal Direct Consolidation Loan made on or after the date of enactment of the College Affordability Act that is being repaid under this section, any monthly payment made pursuant to any repayment plan listed in section 493C(b)(7)(B) on a loan for which the liability has been discharged by the proceeds of such consolidation loan shall be treated as a monthly payment under this section on the portion of such consolidation loan that is attributable to such discharged loan, except that in the case of a subsequent consolidation loan, for purposes of this subsection—

"(1) any monthly payment made on the first consolidation loan or any other loan for which the liability has been discharged by such subsequent consolidation loan shall be applicable; and

"(2) any monthly payment made on a loan for which the liability has been discharged by such first consolidation loan shall not be applicable.".

SEC. 4632. REQUIRING A COMMON MANUAL FOR LOAN SERVICERS.

Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.), as amended by this part, is further amended by adding at the end the following:

"SEC. 493F. REQUIRING A COMMON MANUAL FOR LOAN SERVICERS.

"(a) IN GENERAL.—Not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall develop a manual of common procedures and policies for entities with which the Secretary enters into contracts for the origination, servicing, and collection of covered loans, to standardize procedures to ensure consistency of quality and practice across such entities, and a minimum standard of quality and practice, to ensure that borrowers, including individuals pursuing public service loan forgiveness under section 455(m) and teachers, are well served.

"(b) UPDATES.—The Secretary shall update the manual under subsection (a) as frequently as may be necessary, but not less frequently than once every 5 years.

"(c) COVERED LOANS DEFINED.—The term 'covered loans' means—

"(1) loans sold or assigned to the Secretary under part B;

"(2) loans made or purchased under part D; and

"(3) loans referred, transferred, or assigned to the Secretary under part E.".

SEC. 4633. REMOVAL OF RECORD OF DEFAULT.

Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.), as amended by the preceding sections, is further amended by adding at the end the following:

"SEC. 493G. REMOVAL OF RECORD OF DEFAULT.

"(a) IN GENERAL.—Upon repaying in full the amount due on a defaulted loan made, insured, or guaranteed under this title, the Secretary, guaranty agency, or other holder of the loan shall request any consumer reporting agency to which the Secretary, guaranty agency, or holder, as applicable, reported the default of the loan, to remove any adverse item of information relating to such loan from the borrower's credit history.

"(b) RETROACTIVE APPLICATION.—With respect to a borrower that, prior to the date of enactment of the College Affordability Act, repaid in full the amount due on a defaulted loan made, insured, or guaranteed under this title, the Secretary, guaranty agency, or holder that reported the default of the loan to a consumer reporting agency shall request that such consumer reporting agency remove any adverse item of information relating to such loan from the borrower's credit history, upon receiving a request from the borrower for such removal.".

SEC. 4634. AMENDMENTS TO TERMS AND CONDITIONS OF BORROWER DEFENSES.

(a) IN GENERAL.—Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.), as amended by the preceding sections, is further amended by adding at the end the following:

"SEC. 493H. BORROWER DEFENSES.

"(a) IN GENERAL.—Notwithstanding any other provision of State or Federal law, a defense to repayment of a loan under this title includes—

"(1) a substantial misrepresentation;

"(2) an act or omission that would give rise to a cause of action against an institution of higher education under applicable State law, to the extent that such act or omission relates to—

"(A) a loan received by a borrower under this title; or

"(B) educational services for which such a loan was received; or

"(3) such further acts or omissions that the Secretary determines to be appropriate in accordance with subsection (b).

"(b) REGULATIONS.—The Secretary shall specify in regulations which further acts or omissions of an institution of higher education a borrower may assert as a defense to repayment of a loan made under this title.

"(c) SECRETARIAL DETERMINATION.—

"(1) IN GENERAL.—The Secretary shall determine whether a borrower is entitled to relief under this section based on all evidence available to the Secretary.

"(2) EVIDENTIARY STANDARD.—A borrower shall be entitled to relief under this section if a preponderance of the evidence available to the Secretary demonstrates that the borrower is entitled to such relief.

"(3) INDEPENDENT DETERMINATION.—A determination under paragraph (1) shall be independent of any action that the Secretary may take to recoup funds from the institution of higher education implicated by the borrower defense claim.

"(d) PROCEDURES FOR REVIEW AND RESOLUTION OF CLAIMS.—

"(1) PROCEDURES REQUIRED.—The Secretary shall establish procedures for the fair and expeditious review and resolution of borrower defense claims brought under this section. In establishing such procedures, the Secretary shall—

"(A) provide a fair process for the review and resolution of borrower defense claims, which shall include procedures for the consideration of borrower defense claims on behalf of groups of similarly situated borrowers without requiring each borrower in the group to submit a separate claim;

"(B) review a borrower defense claim at any time without regard to the repayment status of any loan subject to such claim;

"(C) allow a legal representative to bring a borrower defense claim—

"(i) on behalf of an individual borrower; or

"(ii) on behalf of a group of similarly situated borrowers; and

"(D) specify a fixed timeframe for the resolution of borrower defense claims, except that—

"(i) such timeframe shall not exceed a 12-month period beginning on the day on which a borrower submits such a claim under this section; and

"(ii) a borrower defense claim that was submitted to the Secretary before the date of enactment of the College Affordability Act that has not been resolved as of such date of enactment, shall be resolved not later than 12 months after such date of enactment.

"(2) DEFERMENT DURING PENDENCY OF CLAIMS.—

"(A) IN GENERAL.—Subject to subparagraph (B), a loan made under this title that is subject to a pending borrower defense claim shall be placed in deferment status, during which periodic installments of principal need not

be paid and interest shall not accrue (or shall be paid by the Secretary), without regard to whether such loan is in default.

"(B) OPT OUT.—The borrower of a loan subject to deferment under subparagraph (A) may opt out of such deferment at any time during the pendency of the borrower defense claim.

"(C) SUSPENSION OF CREDIT REPORTING AND COLLECTION.—The Secretary shall suspend all adverse credit reporting and collection activity, including offsets and garnishments, with respect to any loan in default that is subject to a deferment under subparagraph (A).

"(f) TERMS OF RELIEF.—

"(1) IN GENERAL.—If the Secretary determines under subsection (c) that a borrower is entitled to relief, the Secretary shall, subject to paragraph (2)—

"(A) cancel or repay all or a portion of the balance of interest and principal due on any loan subject to the claim for relief; and

"(B) return to the borrower an amount not in excess of the total amount of payments made on the loan by the borrower.

"(2) CANCELLATION OF DEBT AND RETURN OF PAYMENTS.—

"(A) SUBSTANTIAL MISREPRESENTATION CLAIMS.—If the Secretary determines that a borrower is entitled to relief based on a claim of substantial misrepresentation, the Secretary shall—

"(i) cancel or repay the full balance of interest and principal due on any loan subject to the claim; and

"(ii) return to the borrower an amount equal to the total amount of payments made on the loan by the borrower.

"(B) OTHER CLAIMS.—If the Secretary determines that a borrower is entitled to relief based on a claim other than substantial misrepresentation, there shall be a presumption that the Secretary will cancel or repay the full balance of principal and interest due on the loan and return the full amount of payments made by the borrower as described in subparagraph (A). If the Secretary determines that full cancellation or repayment of the debt and return of all funds paid on the loan is not appropriate in a particular case, the Secretary shall provide the borrower with a written explanation as to why partial cancellation or repayment, or the partial return of funds is appropriate.

"(g) APPEALS.—Upon a determination by the Secretary to deny a borrower defense claim under this section, the borrower may file an appeal with the Department. The Secretary shall develop and implement a standardized process for the treatment of appeals under this subsection.

"(h) REFILING OF CLAIMS.—A borrower whose claim was denied under this section may refile the claim for good cause, which may include—

"(1) the availability of substantial evidence that was not available to the Secretary at the time the initial claim was denied;

"(2) the emergence of facts or circumstances that may have substantially altered the Secretary's original treatment of the initial claim; and

"(3) such other factors as may be determined by the Secretary.

"(i) DESIGNATION OF PERSONNEL.—The Secretary shall designate qualified personnel within the Department whose principal responsibility shall be the processing of borrower defense claims submitted under his section.

"(j) AVAILABILITY OF INFORMATION TO BORROWERS.—

"(1) BORROWER REQUESTS FOR INFORMATION.—At the request of a borrower, the Secretary shall identify and provide to the borrower or the legal representative of the borrower any records the Secretary is considering as part of the borrower's claim.

"(2) STATUS OF CLAIM.—The Secretary shall establish a process under which each borrower with a claim pending under this section shall be notified of the status of the pending claim not fewer than once every 90 days.

"(3) INFORMATION FROM INSTITUTIONS.—The Secretary may request documents and other information relating to a borrower defense claim from an institution of higher education. An institution that receives a request for information from the Secretary under this subsection shall provide the information to the Secretary at such time, in such form, and in such manner as the Secretary may direct.

"(k) QUARTERLY REPORTS.—

"(1) IN GENERAL.—Not less than once every fiscal quarter, the Secretary shall submit to the authorizing committees a report that includes the following:

"(A) The total number of claims submitted to the Secretary pursuant to this subsection in the fiscal quarter covered by the report and in all previous fiscal quarters.

"(B) Of the claims described in subparagraph (A)—

"(i) the number of claims that remain pending;

"(ii) the number of claims that were denied by the Secretary, and the total dollar amount of such claims; and

"(iii) the number of claims that were approved by the Secretary, and the total dollar amount of such claims.

"(2) DISAGGREGATION.—The information described in subparagraphs (A) and (B) of paragraph (1) shall be disaggregated by State and institution of higher education (except that such disaggregation shall not be required in a case in which the results would reveal personally identifiable information about an individual borrower).

"(3) PUBLIC AVAILABILITY.—The information included in each report submitted under paragraph (A) shall be made available on a publicly accessible website of the Department.

"(l) DEFINITIONS.—In this section:

"(1) The term 'legal representative' means a licensed attorney working on behalf of a borrower or a group of borrowers, including—

"(A) a State attorney general; and

"(B) an attorney employed by a State agency, a Federal agency, or a nonprofit organization that is qualified to provide legal representation to borrowers.

"(2) The term 'substantial misrepresentation' has the meaning given that term in section 487(c)(3)(C).".

(b) CONFORMING AMENDMENT.—Subsection (h) of section 455 of the Higher Education Act of 1965 (20 U.S.C. 1087e) is repealed.

SEC. 4635. ON-TIME REPAYMENT RATES.

Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.), as amended by the preceding sections, is further amended by adding at the end the following:

"SEC. 493I. ON-TIME REPAYMENT RATES.

"(a) CALCULATION OF ON-TIME REPAYMENT RATES.—

"(1) ON-TIME REPAYMENT RATE DEFINED.—

"(A) IN GENERAL.—The term 'on-time repayment rate' means for any fiscal year in which 30 or more current and former students at an institution have been in repayment for 3 years on any covered loan received for attendance at the institution, the percentage of such current and former students who have paid at least 90 percent of the monthly payments on such loan during such 3-year repayment period.

"(B) SMALL COHORTS.—For any fiscal year in which fewer than 30 of an institution's current and former students have been in repayment for 3 years, the term 'on-time repayment rate' means the percentage of such current and former students who entered their 3rd year of repayment on any covered loan received for attendance at the institution in any of the 3 most recent fiscal years and who have paid at least 90 percent of the monthly payments on such loan during such 3-year repayment period.

"(2) ADDITIONAL REQUIREMENTS FOR RATE DETERMINATION.—

"(A) MULTIPLE INSTITUTIONS.—In the case of a student who has attended and borrowed a covered loan for attendance at more than one institution, the student (and such student's subsequent repayment or monthly payment on such loan) is attributed to each institution for attendance at which the student received such loan for which the student entered the 3rd year of repayment in the fiscal year for which the on-time repayment rate is being determined.

"(B) TREATMENT OF CONSOLIDATION LOANS.—For purposes of determining whether a student is in repayment (or has paid a monthly payment) on a loan under section 428C or a Federal Direct Consolidation Loan, only the portion of such loan that is used to repay a covered loan received for attendance at the institution whose on-time repayment rate is being determined shall be considered for purposes of such rate.

"(3) DETERMINATION OF WHEN MONTHLY PAYMENT IS PAID.—For purposes of determining the on-time repayment rate of an institution, a student shall be considered to have paid a monthly payment on a covered loan if one of the following applies:

"(A) The amount of such monthly payment has been paid not later than 30 days after the date on which such monthly payment is due, except that a monthly payment by the institution, such institution's owner, agent, contractor, employee, or any other entity or individual affiliated with such institution made on behalf of a student who is not employed by the institution shall not be considered a paid monthly payment on such loan.

"(B) The monthly payment amount due on such loan is equal to zero.

"(C) The full amount due on the loan has been repaid or the liability on the loan has been otherwise discharged under this Act.

"(D) The student is in a period of deferment, other than—

"(i) a deferment due to an economic hardship described section 427(a)(2)(C)(iii), 428(b)(1)(M)(iv), or 455(f)(2)(D); or

"(ii) a deferment due to unemployment described in section 427(a)(2)(C)(ii), 428(b)(1)(M)(ii), or 455(f)(2)(B)).

"(E) The student is in one of the following periods of forbearance (as applicable to loans made, insured, or guaranteed under part B or this title):

"(i) Medical or dental internship or residency forbearance under subclause (I) of section 428(c)(3)(A)(i).

"(ii) National service forbearance under subclause (III) of section 428(c)(3)(A)(i).

"(iii) Forbearance for active duty service in the Armed Forces under subclause (IV) of section 428(c)(3)(A)(i).

"(iv) Forbearance for National Guard Duty under section 428(c)(3)(B).

"(v) Forbearance due to military mobilization or other local or national emergency as authorized by the Secretary under section 685.205(b)(8) of title 34, Code of Federal Regulations (as in effect on the date of enactment of the College Affordability Act).

"(vi) Teacher loan forgiveness forbearance under section 682.213(e) or 685.205(a)(5) of title 34, Code of Federal Regulations (as in effect on the date of enactment of the College Affordability Act).

"(4) PARTICIPATION RATE.—

"(A) IN GENERAL.—An institution that demonstrates to the Secretary that the institution's participation rate is equal to or less than 20 percent for any of the 3 most recent fiscal years for which data is available shall not be subject to subsection (b).

"(B) DETERMINATION.—For purposes of this paragraph, the term 'participation rate' means the percentage of the institution's regular students, enrolled on at least a half-time basis, who received a covered loan for a 12-month period ending during the 6 months immediately preceding the fiscal year for which the cohort of borrowers used to calculate the institution's on-time loan repayment rate is determined.

"(C) DATA.—An institution shall provide the Secretary with sufficient data to determine the institution's participation rate within 30 days after receiving an initial notification of the institution's draft on-time repayment rate.

"(D) NOTIFICATION.—Prior to publication of a final on-time repayment rate for an institution that provides the data described in subparagraph (C), the Secretary shall notify the institution of the institution's compliance or noncompliance with subparagraph (A).

"(b) DETERMINATION OF ELIGIBILITY BASED ON REPAYMENT RATES AND INSTRUCTIONAL SPENDING AMOUNTS.—

"(1) INELIGIBILITY.—

"(A) IN GENERAL.—Except as provided in subparagraphs (C) and (D), beginning on the date that is one year after the date on which the final on-time repayment rates are published by the Secretary for not less than 3 fiscal years, an institution shall not be eligible to participate in a program under this title for the fiscal year for which the determination under this subparagraph is made and for the two succeeding fiscal years, if the Secretary determines the following with respect to such institution—

"(i) the on-time repayment rate of such institution is less than any threshold on-time repayment rate specified under subparagraph (B) for period determined appropriate by the Secretary for such threshold rate; and

"(ii) with respect to any of the 3 most recent institutional fiscal years for which the institution submits to the Secretary disclosures on the expenditures of the institution on instruction for purposes of section 132(i)(1)(AA), the amount expended by such institution on instruction for such fiscal year is less than 1/3 of the institution's revenues derived from tuition and fees.

"(B) THRESHOLD RATES.—For purposes of determinations under subparagraph (A)(i), the Secretary shall specify 1 or more threshold on-time repayment rates, which rates—

"(i) shall require that a significant percentage of students who have been in repayment for 3 years on a covered loan received for attendance at an institution of higher education have paid at least 90 percent of

the monthly payments on such covered loan during such 3-year repayment period; and

"(ii) may be applicable with respect to a period of 1 or more fiscal years, as determined appropriate for such a rate.

"(C) EXCEPTIONS FOR CERTAIN CATEGORIES OF EDUCATIONAL PROGRAMS.—

"(i) EXCEPTIONS FOR CERTAIN CATEGORIES OF EDUCATIONAL PROGRAMS.—With respect to an institution that loses eligibility to participate in a program under this title in accordance with paragraph (1), such institution may request and be granted an exception to such loss of eligibility for a category of educational programs at such institution by demonstrating to the Secretary that the on-time loan repayment rate for such category of educational programs is greater than the threshold percentage specified under paragraph (1)(B) for each fiscal year of the period on which such loss of eligibility for the institution is based.

"(ii) DETERMINATIONS.—In determining the on-time loan repayment rate for a category of educational programs, subsection (a)(1) shall be applied—

"(I) in subparagraph (A), by substituting 'received for enrollment in the category of educational programs for which such rate is being determined' for 'received for attendance at the institution'; and

"(II) as if the following were added at the end of such paragraph:

"'(C) MULTIPLE CATEGORIES OF EDUCATIONAL PROGRAMS.—In the case of a student who has received a covered loan for enrollment in more than one category of educational programs, the student (and such student's subsequent repayment or monthly payment on such covered loan) is attributed to the last category of educational programs in which such student was enrolled.'.

"(D) APPEALS.—Not later than 60 days of receiving notification from the Secretary of the loss of eligibility under subparagraph (A), the institution may appeal the loss of its eligibility under subsection (c).

"(2) REPAYMENT MANAGEMENT PLAN REQUIREMENT FOR CERTAIN INSTITUTIONS.—

"(A) IN GENERAL.—Beginning on the date that is one year after the date on which the final on-time repayment rates are published by the Secretary for not less than 3 fiscal years, an institution shall be subject to the requirements of subparagraph (B), if the Secretary determines the following with respect to such institution—

"(i) the on-time repayment rate of such institution is less than any threshold on-time repayment rate specified under paragraph (1)(B) for period determined appropriate by the Secretary for such threshold rate; and

"(ii) for each of the 3 most recent institutional fiscal years for which the institution submits to the Secretary disclosures on the expenditures of the institution on instruction for purposes of section 132(i)(1)(AA), the amount expended by the institution for instructional spending is greater than or equal to an amount equal to 1/3 of the amount of revenue derived from tuition and fees.

"(B) REPAYMENT MANAGEMENT PLAN.—An institution subject to the requirements of this subparagraph, shall—

"(i) not later than 6 months after the determination under subparagraph (A), submit to the Secretary a repayment management plan which the Secretary, in the Secretary's discretion, after consideration of the institution's history, resources, expenditures, and targets for improving on-time repayment, determines—

"(I) is acceptable and is in the best interests of students; and

"(II) provides reasonable assurance that the institution will have an on-time repayment rate that exceeds the on-time threshold referred to in subparagraph (A)(i) after a reasonable period;

"(ii) engage an independent third-party to provide technical assistance in implementing such repayment management plan; and

"(iii) provide to the Secretary, on an annual basis or at such other intervals as the Secretary may require, evidence of on-time repayment rate improvement and successful implementation of such repayment management plan.

"(c) APPEALS.—

"(1) SECRETARIAL REQUIREMENTS.—The Secretary shall issue a decision on any appeal submitted by an institution under subsection (b)(1)(D) not later than

45 days after its submission. Such decision may permit the institution to continue to participate in a program under this title if—

"(A) the institution demonstrates to the satisfaction of the Secretary that the Secretary's calculation of its on-time repayment rate is not accurate, and that recalculation would increase its on-time repayment rate above the applicable threshold percentage specified in subsection (b)(1)(B) for the period on which the determination of the institution's ineligibility under subsection (b)(1)(A) was based;

"(B) the institution demonstrates to the satisfaction of the Secretary that there has been improper loan servicing, which, if remedied, would increase its on-time repayment rate above the applicable threshold percentage specified in subsection (b)(1)(B) for the period on which the determination of the institution's ineligibility under subsection (b)(1)(A) was based;

"(C) there are, in the judgment of the Secretary, exceptional mitigating circumstances that would make the application of this section inequitable;

"(D) for each of the 3 most recent fiscal years for which the institution submits to the Secretary disclosures on expenditures for purposes of section 132(i)(1)(AA), the sum of the expenditures on instruction and student services of the institution is equal to an amount greater than or equal to 50 percent of the institution's revenues derived from tuition and fees, and the institution complies with the requirements of subsection (b)(2)(B).

"(2) INSTITUTIONAL REQUIREMENTS.—If an institution continues to participate in a program under this title, and the institution's appeal of the loss of eligibility is unsuccessful, the institution shall be required to pay to the Secretary an amount equal to the amount of interest, special allowance, reinsurance, and any related payments made by the Secretary (or which the Secretary is obligated to make) with respect to covered loans to students attending, or planning to attend, that institution during the pendency of such appeal. During such appeal, the Secretary may permit the institution to continue to participate in a program under this title.

"(d) REGULATIONS.—The Secretary shall prescribe regulations designed to prevent an institution from evading the application to that institution of a on-time repayment rate determination under this section through the use of such measures as branching, consolidation, change of ownership or control, or any similar device.

"(e) PUBLICATION.—The Secretary shall publish not less often than once every fiscal year (by September 30 of each year) a report—

"(1) for each category of institution, and for each institution for which an on-time repayment rate is determined under this section—

"(A) with respect to the preceding fiscal year—

"(i) the on-time repayment rate for such institution;

"(ii) the on-time repayment rate for each category of educational programs; and

"(iii) the number of students on which the rates described in clauses (i) and (ii) are based; and

"(B) for each of the 3 most recent fiscal years for which the institution submits to the Secretary disclosures on expenditures for purposes of section 132(i)(1)(AA)—

"(i) the amount of the institution's expenditures on instruction;

"(ii) the amount of revenue derived from tuition and fees by the institution; and

"(iii) the quotient of the amount described in clause (i) divided by the amount described in clause (ii), expressed as a percentage; and

"(2) each on-time repayment rate used for calculating each of the threshold rates under subsection (b)(1)(B) for the period determined appropriate by the Secretary for such threshold rate under such subsection.

"(f) DEFINITIONS.—In this section:

"(1) CATEGORY OF EDUCATIONAL PROGRAMS.—The term 'category of educational programs' has the meaning given the term in section 435(a)(9)(E).

"(2) CATEGORY OF INSTITUTION.—The term 'category of institution' includes—

"(A) four-year public institutions;

"(B) four-year private nonprofit institutions;

"(C) four-year proprietary institutions;

"(D) two-year public institutions;

"(E) two-year private nonprofit institutions;

"(F) two-year proprietary institutions;

"(G) less-than-two year public institutions;

"(H) less-than-two year private nonprofit institutions; and

"(I) less-than-two year proprietary institutions.

"(3) COVERED LOAN.—

"(A) IN GENERAL.—The term 'covered loan' means a loan made, insured, or guaranteed under part B or D (other than an excepted PLUS Loan or an excepted consolidation Loan).

"(B) EXCEPTED PLUS LOAN; EXCEPTED CONSOLIDATION LOAN.—The terms 'excepted PLUS Loan' and 'excepted consolidation Loan' have the meanings given such terms in section 493C(a).

"(4) STUDENT SERVICES.—The term 'student services' has the meaning given the term in section 498E(a)(2).".

PART H—PROGRAM INTEGRITY

Subpart 1—State Role

SEC. 4701. STATE RESPONSIBILITIES.

Section 495(a) of the Higher Education Act of 1965 (20 U.S.C. 1099a(a)) is amended—

(1) in paragraph (2)—

(A) by inserting "and the accrediting agency or association involved" after "Secretary";

(B) by striking "revokes a license" and inserting "takes a negative action, or revokes a license,"; and

(C) by striking "and" at the end;

(2) in paragraph (3), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(4) evaluate each institution of higher education located in the State or seeking authorization to operate in the State to determine if such institution of higher education meets the applicable standards of the State relating to—

"(A) facilities, equipment, and supplies; and

"(B) measures of program length and other factors relevant for a student or graduate to receive a professional license from the State;

"(5) certify to the Secretary that the State shall—

"(A) accept student complaints from—

"(i) all students attending an institution of higher education located in the State; and

"(ii) all students who are residents of the State and attend an institution of higher education not located in the State through correspondence or distance education; and

"(B) report to the Secretary and accrediting bodies—

"(i) relevant student complaints received by the State, including multiple student complaints that present consistent allegations with respect to an institution of higher education in the State; and

"(ii) such other complaints the Secretary determines necessary; and

"(6) establish policies and procedures to anticipate and respond to the closure of an institution of higher education, which shall include—

"(A) the maintenance of sufficient cash reserves (or an equivalent alternative) in accordance with regulations issued pursuant to section 498(c)(6)(A) to ensure repayment of any required refunds;

"(B) a plan to address ensuring custodial record-keeping of institutional records and student transcripts in the case of such a closure;

"(C) the maintenance of contact information adequate to ensure communication directly between the State and each student in the case of such a closure; and

"(D) in the case of an institution of higher education located in the State, to develop a process to identify when a campus of such institution of higher education closes in any State.".

Subpart 2—Accrediting Agency Recognition

SEC. 4711. ACCREDITING AGENCY RECOGNITION OF ELIGIBLE JOB TRAINING PROGRAMS.

Section 496(a)(4) of the Higher Education Act of 1965 (20 U.S.C. 1099b(a)(4)) is amended—

(1) in subparagraph (A), by striking "and" after the semicolon; and

(2) by adding at the end the following:

"(C) if such agency or association has or seeks to include within its scope of recognition the evaluation of the quality of institutions of higher education participating in the job training Federal Pell Grant program under

section 401(k), such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that, with respect to such eligible job training program—

"(i) the agency or association's standards include a process for determining if the institution has the capability to effectively provide an eligible job training program; and

"(ii) the agency or association requires a demonstration that the program—

"(I) has identified each recognized postsecondary credential offered and the corresponding industry or sector partnership that actively recognizes each credential in the State or local area in which the job training program is provided; and

"(II) provides the academic content and amount of instructional time that is sufficient to—

"(aa) meet the hiring requirements of potential employers; and

"(bb) satisfy any applicable educational prerequisite requirement for professional license or certification, so that a student who completes the program and seeks employment is qualified to take any licensure or certification examination needed to practice or find employment in such sectors or occupations; and".

SEC. 4712. ACCREDITING AGENCY RECOGNITION OF INSTITUTIONS ENROLLING INCARCERATED INDIVIDUALS.

Section 496(a)(4) of the Higher Education Act of 1965 (20 U.S.C. 1099b(a)(4)) is further amended by adding at the end the following:

"(D) if such agency or association accredits or seeks to accredit institutions of higher education that seek to award Federal Pell Grants under section 401(n) to incarcerated individuals for a course of study at such institution, such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that—

"(i) the agency or association's standards include a process for determining if the institution has the capability to effectively offer such a course of study to incarcerated individuals; and

"(ii) the agency or association requires a demonstration that—

"(I) such course of study is taught by faculty with experience and credentials comparable to the experience and credentials of faculty who teach courses of study available to non-incarcerated students enrolled at the institution;

"(II) academic credits earned by incarcerated individuals for completion of a course of study are treated by the institution as the equivalent to credits earned by non-incarcerated students for an equivalent course;

"(III) the institution provides sufficient educational content and resources to students enrolled in such a course of study that are, to the extent practicable, consistent with the educational content and resources available to non-incarcerated students; and

"(IV) the institution has the capacity, staffing, and expertise to provide incarcerated individuals with the support and advising services necessary to select and successfully participate in such a course of study and, to the extent practicable, with support upon reentry (including career and academic advising);".

SEC. 4713. REQUIREMENTS FOR ACCREDITING AGENCY RECOGNITION.

(a) WORKING GROUP; RULEMAKING.—

(1) WORKING GROUP.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of the Act, the Secretary of Education shall establish a working group comprised of individuals specified in subparagraph (B), to establish a common glossary of measures (and a definition for each such measure)—

(i) that, for purposes of section 496(a)(5)(A) of the Higher Education Act of 1965 (20 U.S.C. 1099b(a)(5)(A))—

(I) accrediting agencies or associations may use to assess each of the outcomes described in subparagraph (C);

(II) shall not restrict accrediting agencies or associations from establishing, in accordance with such section 496(a)(5)(A), other measures to assess such outcomes;

(III) shall not include performance benchmarks or other thresholds with respect to such measures; and

(IV) provides accrediting agencies or associations described in subparagraphs (A)(i) and (C)(ii) of section 496(a)(2) (20 U.S.C. 1099b(a)(2)) with enough flexibility for adequate assessment of such outcomes; and

(ii) that may include measures (and definitions for such measures) set forth under the Integrated Postsecondary Education Data Survey, the postsecondary data system established under section 132(l), or a successor system;

(iii) to which future working groups which meet the requirements of this paragraph may add additional measures; and

(iv) that the Secretary of Education shall not have the authority to approve.

(B) COMPOSITION.—The working group established under subparagraph (A) shall be of sufficient size to ensure that a full range of relevant accrediting agencies and institutions are represented on the panel and shall include, at a minimum, the following members:

(i) Representatives of national, regional, and specialized accrediting agencies and associations that shall be nominated for inclusion on the panel by such representatives.

(ii) Representatives of diverse postsecondary institutions, which shall include representation between 2-year and 4-year institutions of higher education, and from public, nonprofit, and proprietary institutions of higher education, including minority-serving institutions.

(iii) The Commissioner of the National Center for Education Statistics or the Commissioner's representative.

(iv) Student advocate representatives familiar with the accreditation process.

(C) OUTCOMES.—The outcomes described in this subparagraph are as follows:

(i) Completion (which may include measures such as graduation rates and rates of transfer).

(ii) Progress toward completion (which may include measures such as retention rates and credit accumulation).

(iii) Workforce participation (which may include measures such as rates of licensure and job placement).

(2) RULEMAKING.—Not later than 1 year after the date of enactment of this Act, the Secretary of Education shall initiate a negotiated rule-making—

(A) to develop procedures for identifying the representative member institutions an accrediting agency or association shall use to demonstrate to the Secretary, for purposes of the Secretary's review and evaluation of the performance of such agency or association under section 496(n)(1) of the Higher Education Act of 1965 (20 U.S.C. 1099b(n)(1)), as amended by this section, that such accrediting agency or association—

(i) consistently applies and enforces standards; and

(ii) effectively evaluates the quality of education or training offered by the institutions of higher education accredited by such agency or association; and

(B) for purposes of section 496 of the Higher Education Act of 1965 (20 U.S.C. 1099b), as amended by this section, to—

(i) establish definitions for the terms related to sanctions, adverse actions, and any other action that an accrediting agency or association may take with respect to an institution of higher education under such section (including monitoring, notice, warning, probation, show cause, denial, withdrawal, suspension, revocation, accreditation, and preaccreditation); and

(ii) in a case in which any action defined in clause (i) is taken by an accrediting agency or association with respect to an institution of higher education, establish notice and disclosure requirements for such agency or association and institution of higher education with respect to the public (including students), as long as such requirements are consistent with the requirements of subsections (a)(7) and (c)(7) of section 496 of the Higher Education Act of 1965 (20 U.S.C. 1099b).

(b) AMENDMENTS.—Section 496 of the Higher Education Act of 1965 (20 U.S.C. 1099b) is further amended—

(1) in subsection (a)—

(A) in paragraph (3)(A), by inserting before the semicolon at the end the following: ", and any institution described in clauses (i) through (v) of subsection (b)(1)(B)";

(B) in paragraph (5), by striking subparagraphs (A) through (J) and inserting the following:

"(A) success with respect to student achievement in relation to the institution's mission (except that the agencies and associations described in paragraph (2)(A)(ii) shall not be subject to this subparagraph), which—

"(i) shall be assessed using at least 1 measure selected by the agency or association from the glossary of measures established and defined under section 4713(a)(1) of the College Affordability Act, or established by the agency or association, for each of the following outcomes—

"(I) completion;

"(II) progress toward completion; and

"(III) workforce participation;

"(ii) may be assessed using different measures selected or established under clause (i) for different institutions;

"(iii) for each measure selected or established under clause (i), shall be assessed using a single performance benchmark established by the agency or association, except that an accrediting agency or association may establish a different performance benchmark for such a measure for each category of educational programs (as defined in section 435(a)(9)(E)); and

"(iv) in the case of an institution defined in section 101(a), may include consideration of—

"(I) the historical significance of the institution; and

"(II) whether the institution is one of the only physical locations at which postsecondary education is provided in the geographic area;

"(B) student achievement outcomes, disaggregated by the elements required in the postsecondary student data system under subclauses (I) through (X) of section 132(l)(2)(C)(ii) to facilitate institutional improvement and yield statistically reliable information that does not reveal personally identifiable information about an individual student;

"(C) credentials, including consideration of the non-monetary value accruing to students pursuing such credentials;

"(D) curricula, including—

"(i) other than for the agencies and associations described in paragraph (2)(A)(ii), program length;

"(ii) course sequencing; and

"(iii) objectives related to credentialing;

"(E) faculty;

"(F) student support services;

"(G) recruiting and admissions practices, academic calendars, catalogues, publications, and grading; and

"(H) fiscal and administrative capacity (which shall include the institution's governance) as appropriate to the specified scale of operations;";

(C) by redesignating paragraphs (6) through (8) as paragraphs (7) through (9), respectively; and

(D) by inserting after paragraph (5) the following:

"(6) such agency or association shall make available on a publicly accessible website, up-to-date information on—

"(A) the institutions that are subject to the jurisdiction of such agency or association;

"(B) the measures used to assess each of the outcomes described in subclauses (I) through (III) of paragraph (5)(A)(i);

"(C) the performance benchmark established for each measure selected by the agency or association under paragraph (5)(A), the rationale for the establishment of such performance benchmark, and how such benchmarks are factored into the accreditation process;

"(D) the process such agency or association follows when an institution subject to the jurisdiction of such agency or association does not meet an accreditation standard under section 496(a)(5); and

"(E) any sanction or adverse action taken with respect to an institution and the reason for such sanction or adverse action;";

(E) in paragraph (8), as so redesignated, by striking "30 days" and inserting "10 days";

(F) by amending paragraph (9), as so redesignated, to read as follows:

"(9) such agency or association shall—

"(A) make available on its public website, and to the Secretary, and the State licensing or authorizing agency, a summary (including the decision and rationale for such decision) of any review resulting in a final accred-

iting decision involving denial, termination, or suspension of accreditation, together with the comments of the affected institution; and

"(B) ensure that each institution that is the subject of a final accrediting decision described in subparagraph (A) makes available on its public website the summary described in subparagraph (A) (including the decision and rationale for such decision) with respect to such institution and the institution's comments; and".

(G) by adding at the end the following:

"(10) such agency or association shall—

"(A) ensure that any substantive change to the educational mission or a program of an institution after the agency or association has accredited or preaccredited the institution does not adversely affect the capacity of the institution to continue to meet the standards of such agency or association;

"(B) require such an institution to obtain the approval of such agency or association with respect to such substantive change before the agency or association includes the change in the scope of accreditation or preaccreditation previously granted to the institution by such agency or association; and

"(C) make public and report to the Secretary any decision made under subparagraph (B) and the rationale of such decision.";

(2) by striking subsection (b) and inserting the following:

"(b) SEPARATE AND INDEPENDENT DEFINED.—For the purpose of subsection (a)(3), the term 'separate and independent' means that—

"(1) the members of the postsecondary education governing body and any other decision-making body of the accrediting agency or association are not—

"(A) elected or selected by the board or chief executive officer of any related, associated, or affiliated trade association or membership organization; or

"(B) individuals (such as executives and owners of an institution) who exercise substantial control over an institution—

"(i) that is required to provide the Secretary with satisfactory evidence of its financial responsibility in accordance with paragraph (3)(A) of section 498(c) because the institution fails to meet criteria under paragraphs (1) and (2) of such section, except that this clause shall not be applicable to an institution until the Secretary has completed the rulemaking required under section 4721(b) of the College Affordability Act;

"(ii) that is on a reimbursement payment method pursuant to section 487(c)(1)(B);

"(iii) against which the Secretary is initiating or carrying out an emergency action in accordance with section 487(c)(1)(G);

"(iv) against which the Secretary is limiting, suspending, or terminating the institution's participation in any program under this title in accordance with section 487(c)(1)(F); or

"(v) that is on probation or show cause, or that is not accredited by an accrediting agency or association;

"(2) among the membership of the board of the accrediting agency or association there shall be 1 public member for each 4 members of the board, with a minimum of 1 such public member, and guidelines are established for such members to avoid conflicts of interest, including guidelines ensuring that each such public member—

"(A) is selected to serve on such board in the same manner that other board members are selected for such service;

"(B) has not served on such board as a non-public member in the preceding 10 years;

"(C) is not (or has not been in the preceding 5-year period) a full-time employee of, or a member of the governing board, an owner, or shareholder of, or consultant to, an institution or program that—

"(i) is accredited or preaccredited by the agency or association; or

"(ii) has applied for accreditation or preaccreditation from such agency or association;

"(D) is not a member of any trade association or membership organization related to, affiliated with, or associated with the agency or association or an institution that is accredited by such agency or association; and

"(E) is not a spouse, parent, child, or sibling of an individual identified in subparagraph (C) or (D);

"(3) dues to the accrediting agency or association are paid separately from any dues paid to any related, associated, or affiliated trade association or membership organization; and

"(4) the budget of the accrediting agency or association is developed and determined by the accrediting agency or association without review or resort to consultation with any other entity or organization.";

(3) in subsection (c)—

(A) in paragraph (1), strike "those regarding distance education" and inserting "regarding distance education and the history and mission of the institutions reviewed";

(B) in paragraph (2)—

(i) by inserting "and decline" after "the growth"; and

(ii) by inserting before the semicolon at the end the following: "or decline"; and

(C) by amending paragraph (3) to read as follows:

"(3) requires an institution to submit for approval to the accrediting agency or association a teach-out plan (as defined in section 487(f)(2)) and which shall meet the requirements of such agency or association) upon the occurrence of any of the following events:

"(A) the Secretary notifies the agency or association that the Secretary has determined under section 498(c) that the institution does not have the financial responsibility required by this title, except that this subparagraph shall not be applicable to an institution until the Secretary has completed the rulemaking required under section 4721(b) of the College Affordability Act;

"(B) the Secretary notifies the agency of a determination by the institution's independent auditor expressing doubt with the institution's ability to operate as a going concern or indicating an adverse opinion or finding of material weakness related to financial stability, except that this subparagraph shall not apply with respect to a public institution;

"(C) the agency or association acts to place an institution on probation, show cause, or equivalent status; or

"(D) the Secretary notifies the agency that the institution is participating in title IV under a provisional program participation agreement;";

(D) by amending paragraph (6) to read as follows:

"(6) requires that teach-out agreements among institutions are subject to approval by the accrediting agency or association consistent with standards promulgated by such agency or association, and that such an agreement shall be required and subject to such approval upon the occurrence of any of the following events:

"(A) the Secretary notifies the agency or association that—

"(i) the Secretary has placed the institution on the reimbursement payment method pursuant to section 487(c)(1)(B); and

"(ii) the institution fails to meet criteria prescribed by the Secretary regarding ratios that demonstrate financial responsibility as described in section 498(c)(2);

"(B) the Secretary notifies the accrediting agency or association that the Secretary has initiated—

"(i) an emergency action against the institution pursuant to section 487(c)(1)(G); or

"(ii) an action under section 487(c)(1)(F) to limit, suspend, or terminate the participation of the institution in any program under this title;

"(C) the accrediting agency or association acts to withdraw, terminate, or suspend the accreditation of the institution;

"(D) the institution notifies the accrediting agency or association that the institution intends to cease operations;

"(E) the institution notifies the accrediting agency or association that the institution intends to close a location that provides one hundred percent of at least one program; or

"(F) pursuant to section 495, the State notifies the accrediting agency or association that an institution's license or legal authorization to operate within the State has been or will be revoked;";

(E) in paragraph (7), by inserting "not later than 10 days after taking an action described in this paragraph," before "makes available";

(F) in paragraph (9), by striking the period at the end and inserting "; and"; and

(G) by adding at the end the following:

"(10) responds to complaints received with respect to an institution during the period which the accrediting agency or association accredits such institution not later than 30 days after receiving the complaint (including complaints shared with the agency or association by the Secretary or a State agency under section 495), monitors and assesses an institution's record of student complaints during

such period, and submits the complaints relevant to the Secretary and to the State agency involved.";

(4) in subsection (m), by adding at the end the following: "Nothing in this section shall prohibit the Secretary from implementing a process of recognition under this section which differs for the accrediting agencies or associations described in subsection (a)(2)(A)(ii) for the purposes of participation in programs (other than the programs under this Act) administered by the Department or other Federal agencies if such differentiation would be beneficial to taxpayers and the performance of such agencies or associations."; and

(5) in subsection (n)—

(A) in paragraph (1)—

(i) in the second sentence of the matter preceding subparagraph (A), by inserting before the period the following: ", which shall include information on at least one institution of higher education representing each of the sectors subject to the jurisdiction of the accrediting agency or association (including public, nonprofit, and proprietary, as applicable) of the representative member institutions"; and

(ii) in subparagraph (A), by inserting before the semicolon the following: ", and for purposes of facilitating such third-party information, the Secretary shall make publicly available the application of the accrediting agency or association seeking recognition by the Secretary upon publishing in the Federal Register the solicitation for such third-party information"; and

(B) by adding at the end the following:

"(5) In the case in which an official of the Department (other than the Secretary) makes a decision on the recognition of an accrediting agency or association that differs from the recommendation made by the National Advisory Committee on Institutional Quality and Integrity on such recognition, without regard to whether any appeals process with respect to such decision has been concluded, the official shall submit to the authorizing committees the rationale and evidence for such decision.

"(6) During the first 90-day period of each fiscal year, the Secretary shall submit to the authorizing committees the following information with respect to the preceding fiscal year—

"(A) information about each accrediting agency that the Secretary reviews and evaluates under this subsection;

"(B) the recommendation of the National Advisory Committee on Institutional Quality and Integrity about whether to recognize such accrediting agency or association and the rationale for such recommendation;

"(C) in the case in which an official of the Department (other than the Secretary) makes a decision on the recognition of such accrediting agency or association (without regard to whether any appeals process with respect to such decision has been concluded), such decision and the rationale for such decision; and

"(D) the final decision of the Secretary on the recognition of such accrediting agency or association and the rationale for such final decision."; and

(6) by adding at the end the following:

"(r) EVALUATION OF QUALITY AND ACHIEVEMENT MEASURES.—

"(1) IN GENERAL.—The Secretary shall direct the National Advisory Committee on Institutional Quality and Integrity to—

"(A) regularly evaluate the effectiveness of the measures selected and the performance benchmarks established by accrediting agencies and associations under subsection (a)(5)(A); and

"(B) compare similarly situated accrediting agencies or associations, whose similarity may not be determined solely by the educational sector to which the institutions being evaluated belong, based on the measures and performance benchmarks used in subsection (a)(5)(A) by such agencies and associations.

"(2) REVISING PERFORMANCE BENCHMARKS.—The Secretary may require an accrediting agency or association to review and revise a performance benchmark established by such agency or association if the Secretary determines that such performance benchmark is too low for the measure for which such benchmark is established.

"(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to give the Secretary that authority to require the use of a specific performance benchmark by an accrediting agency or association for purposes of subsection (a)(5)(A).

"(s) REPORT ON RECOGNIZED INSTITUTIONAL ACCREDITORS REQUIRED.—Not later than 180 days after the date of the enactment of the College Affordability Act, and annually thereafter, the Secretary shall publish a report that includes with respect

to each accrediting agency or association recognized under this section by the Secretary, the following:

"(1) The number of institutions of higher education evaluated by such accrediting agency or association in each educational sector.

"(2) The number of locations of such institutions of higher education.

"(3) The number of students enrolled at such institutions of higher education.

"(4) The number of students receiving a Federal Pell Grant at such institutions of higher education in the preceding year.

"(5) The total amount of Federal student aid received by students enrolled at such institutions of higher education in the preceding year.

"(6) The graduation rates of such institutions of higher education.

"(7) The median earnings of students 10 years after enrollment.

"(8) The number of institutions placed on a reimbursement payment method pursuant to section 487(c)(1)(B).

"(t) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit an institution of higher education from seeking accreditation, in a manner consistent with the requirements of subsections (h), (i), and (l)(2), from an accrediting agency or association that is accrediting a branch campus of such institution in the State in which the institution is located.".

Subpart 3—Program Review and Data

SEC. 4721. ELIGIBILITY AND CERTIFICATION PROCEDURES.

(a) FINANCIAL RESPONSIBILITY STANDARDS.—Section 498 of the Higher Education Act of 1965 (20 U.S.C. 1099c) is amended—

(1) in subsection (b)—

(A) in paragraph (4), by striking "and" at the end;

(B) in paragraph (5), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(6) includes an addendum under which an institution of higher education shall report a change in circumstances described in subparagraph (A)(ii) or clauses (ii) or (iii) of subparagraph (B) of subsection (c)(8), not later than 30 days after the date on which such change in circumstance occurs.";

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking "and" at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting "; and" ; and

(iii) by adding at the end the following:

"(D) the institution is not an institution described in paragraph (7)(B).";

(B) in paragraph (3)—

(i) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(ii) by inserting after subparagraph (B) the following:

"(C) such institution has a rating of investment grade or above from a recognized credit rating agency;"; and

(C) by adding at the end the following:

"(7) PROHIBITED FINANCIAL RESPONSIBILITY DETERMINATIONS.—

"(A) IN GENERAL.—The Secretary may not determine that an institution has the financial responsibility required by this title if such institution is an institution described in subparagraph (B).

"(B) SPECIFIED INSTITUTION.—An institution described in this subparagraph is—

"(i) a private non-profit institution of higher education or a proprietary institution of higher education (as defined in section 102(b)) that—

"(I) is required by the accrediting agency of such institution to submit a teach-out plan under section 487(f);

"(II) with respect to the preceding 2 fiscal years, has an adjusted cohort default rate (as determined under section 435(m)) of 20 percent or greater, unless the institution files a challenge, request for adjustment, or appeal under section 435(a) with respect to such rates for one or both of such fiscal years; or

"(III) is subject to a number of pending or approved borrower relief claims under section 493H from borrowers that equals or exceeds, with respect to the prior academic year, half of the enrollment of full-time equivalent students at such institution;

"(ii) a proprietary institution of higher education (as defined in section 102(b)) that—

"(I) is publicly traded; and

"(II)(aa) is sanctioned by the Securities and Exchange Commission;

"(bb) fails to file a required annual or quarterly report with the Securities and Exchange Commission; or

"(cc) the stock of which is delisted; or

"(iii) a proprietary institution of higher education (as defined in section 102(b))—

"(I) that derived, for any award year beginning on or after July 1, 2022, more than 85 percent of the revenue of the institution from Federal education assistance funds; or

"(II) fails to meet criteria prescribed by the Secretary regarding ratios that demonstrate financial responsibility, and has any withdrawal of owner's equity from the institution by any means, including by declaring a dividend.

"(8) CHANGE IN CIRCUMSTANCES.—

"(A) REQUIRED REDETERMINATION.—

"(i) IN GENERAL.—In the case of a private non-profit institution of higher education or a proprietary institution of higher education (as defined in section 102(b)) that submits an addendum described in clause (ii) or (iii) to the Secretary, the Secretary shall, not later than 30 days after such addendum is submitted, redetermine whether such institution meets the requirements of this subsection.

"(ii) SPECIFIED CIRCUMSTANCES.—An institution of higher education shall submit an addendum under subsection (b)(6) if, with respect to such institution of higher education, one of the following occurs:

"(I) The institution is required to pay any material debt, as determined by the Secretary, or incur any material liability, as determined by the Secretary, arising from a final judgment in a judicial proceeding, an administrative proceeding or determination, or settlement.

"(II) The institution is involved in a lawsuit that is brought on or after the date of the enactment of College Affordability Act by a Federal or State authority for financial relief on claims related to the making of loans under part D of title IV.

"(III) Such other circumstance the Secretary determines necessary.

"(iii) GAINFUL EMPLOYMENT DETERMINATION BY SECRETARY.—An institution of higher education shall submit an addendum under subsection (b)(6) if the Secretary makes a determination that such institution has programs that could become ineligible under gainful employment (as defined in section 104) in the next award year.

"(B) PERMISSIBLE REDETERMINATION.—

"(i) REDETERMINATION.—In the case of an institution that submits an addendum under clause (ii), the Secretary may, not later than 30 days after such addendum is submitted, redetermine whether such institution meets the requirements of this subsection.

"(ii) SPECIFIED CIRCUMSTANCES.—The Secretary shall require an institution to submit an addendum under subsection (b)(6) if the Secretary makes a determination—

"(I) that the Secretary will likely receive a significant number of borrower relief claims under section 493H as the result of a lawsuit, settlement, or judgement against the institution; or

"(II) that the institution experienced one of the following:

"(aa) A significant fluctuation in enrollments between consecutive award years or a period of award years.

"(bb) A citation by a State licensing or authorizing agency for failing State or agency requirements.

"(cc) High annual drop out rates.

"(dd) Pending borrower relief claims under section 493H.

"(C) FINANCIAL CIRCUMSTANCES MATERIALS.—If the institution's financial circumstances materially change after the institution submits an addendum under subsection (b)(6), such institution shall submit to the Secretary such certified financial statements and other information as the Secretary may require.

"(9) TRANSPARENCY.—Beginning not later than 90 days after the date of the enactment of this paragraph, and not less than once every 120 days thereafter,

the Secretary shall make publicly available on the website of the Department the following:

"(A) The ratios used to demonstrate financial responsibility under this section.

"(B) Each reports made to the Secretary under this section.

"(C) Each audited financial statement submitted to the Secretary by an institution of higher education under this section.

"(D) Each certified financial statement submitted to the Secretary under paragraph (8)(C).''; and

(3) in subsection (i)(2)—

(A) in subparagraph (E), by striking "or" at the end;

(B) in subparagraph (F), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following:

"(G) the transfer of ownership as a result of a court-ordered receivership.''.

(b) RULEMAKING.—Not 1 year after the date of enactment of this Act, the Secretary of Education shall carry out a negotiated rulemaking to update the criteria used under section 498(c)(2) of the Higher Education Act of 1965 (20 U.S.C. 1099c) to make a determination of the ability of an institution of higher education to meet the standards under such section in accordance with the amendments made by this section.

(c) AUDITS.—Not later than 2 years after the criteria used under section 498(c)(2) of the Higher Education Act of 1965 (20 U.S.C. 1099c) is updated under subsection (b), and every 2 years thereafter, the Inspector General of Department of Education shall conduct audits of such criteria to ensure that the criteria meets generally accepted accounting principles.

SEC. 4722. PROGRAM REVIEW AND DATA.

Section 498A of the Higher Education Act of 1965 (20 U.S.C. 1099c-1) is amended—

(1) in subsection (a)(2), by striking subparagraph (A) and inserting the following:

"(A) institutions with an adjusted cohort default rate for loans under part D in excess of 18 percent or which places such institutions in the highest 25 percent of such institutions;";

(2) by redesignating subsections (c) through (e) as subsections (d) through (f), respectively; and

(3) by inserting after subsection (b) the following:

"(c) UNDERCOVER OPERATIONS.—In carrying out paragraphs (1) and (2) of subsection (a) and any other relevant provisions of this subpart, the Secretary—

"(1) shall conduct undercover and secret shopper operations for the purpose of encouraging the ethical treatment of students and prospective students and detecting fraud and abuse in the Federal student aid programs, including—

"(A) violations described in section 487(c)(3);

"(B) violations of section 487(a)(20); and

"(C) violations by any entity with which the institution has contracted for student recruitment or admission activity;

"(2) shall develop written guidelines for the conduct of activities under paragraph (1) in accordance with commonly-accepted Federal practices for undercover operations and in consultation with other relevant agencies, including the Department of Justice, Federal Trade Commission, Consumer Financial Protection Bureau, and the Department of Education's Office of Inspector General; and

"(3) shall provide an annual report on the results of activities under paragraph (1) to the authorizing committees, and thereafter shall make the report available to the public.''.

Subpart 4—Strengthening Institutional Quality

SEC. 4731. STRENGTHENING INSTITUTIONAL QUALITY.

Part H of title IV of the Higher Education Act of 1965 (20 U.S.C. 1099a et seq.) is amended by adding at the end the following:

"Subpart 4—Strengthening Institutional Quality

"SEC. 498C. ASSISTANCE TO PROGRESS PERIOD INSTITUTIONS.

"(a) IN GENERAL.—The Secretary shall provide grants and technical assistance to covered progress period institutions in accordance with this section.

"(b) AUTHORIZED ACTIVITIES.—Grants and assistance provided under this section shall be used to improve student achievement (as described in section 496(a)(5)(A)) at covered progress period institutions.

"(c) DURATION.—Grants and assistance may be provided under this section for a period of not less than one year and not more than three years.

"(d) CONDITIONS.—

"(1) BENCHMARKS.—

"(A) IN GENERAL.—To continue to receive support under this section after the first year in which such support is provided, an institution must show progress, as determined by the Secretary, toward meeting the standards for student achievement established by the relevant accrediting agency or association pursuant to section 496(a)(5)(A).

"(B) CONSIDERATIONS.—In determining the progress of an institution under subparagraph (A), the Secretary may take into consideration extenuating circumstances that may have contributed to the poor performance of the institution in the first year of the review period.

"(2) DEADLINE FOR COMPLIANCE.—An institution that does not achieve an adjusted cohort default rate of less than 10 percent after receiving support under this section for three consecutive years shall be ineligible to receive further support under this section.

"(3) PROHIBITION.—An institution shall be ineligible to receive further support under this section if, while the institution was receiving such support, the total enrollment of low-income students (as such term is defined in section 419N(b)(7)) at the institution decreased by 10 percent or more.

"(e) COVERED PROGRESS PERIOD INSTITUTION.—In this section, the term 'covered progress period institution' means—

"(1) a public institution of higher education that is determined to be in progress period status;

"(2) a part B institution (as defined in section 322) that is determined to be in progress period status; or

"(3) a private, nonprofit institution of higher education—

"(A) that is determined to be in progress period status; and

"(B) at which not less than 45 percent of the total student enrollment consists of low-income students (as such term is defined in section 419N(b)(7)).

"(f) FUNDING.—

"(1) IN GENERAL.—There are authorized to be appropriated, and there are appropriated, such funds as the Secretary, using the formula described in paragraph (2), determines necessary to meet the needs of all eligible institutions under this subsection, except that such funds shall not exceed $100,000,000 for fiscal year 2021 and each succeeding fiscal year. Such funds shall be available until expended.

"(2) FORMULA.—Not later than 1 year after the date of the enactment of this section, the Secretary shall establish through negotiated rulemaking a formula to determine the—

"(A) proportional amount of institutional need under this section; and

"(B) total amount of institutional need under this section.

"(3) SPECIAL RULE.—Such formula must at minimum take into consideration the severity of the problem, size of the institution, institutional resources, historical underfunding, and the number of low-income students (as such term is defined in section 419N(b)(7)) being served.

"SEC. 498D. RESTRICTIONS ON CERTAIN EXPENDITURES.

"(a) ESTABLISHING DEFINITIONS.—

"(1) IN GENERAL.—For purposes of each survey conducted under the Integrated Postsecondary Education Data System after the date of enactment of the College Affordability Act and this Act, the Secretary shall define the following terms:

"(A) Marketing.

"(B) Recruitment.

"(C) Advertising.

"(D) Lobbying.

"(E) Student services.

"(2) EXCLUSION OF CERTAIN ACTIVITIES.—In defining the term 'student services' under paragraph (1)(E), the Secretary shall ensure that such term does not include marketing, recruitment, advertising, or lobbying.

"(b) LIMITATION ON EXPENDITURES.—In a case in which the Secretary determines with respect to an institution of higher education participating in any program under this title that, for any of the 3 most recent institutional fiscal years after the promulgation of regulations by the Secretary defining the terms in subsection (a)(1) for which the institution submits to the Secretary disclosures on the expenditures of the institution on instruction for purposes of section 132(i)(1)(AA), the amount expended by such institution on instruction for such fiscal year is less than an amount equal to ⅓ of institution's revenues derived from tuition and fees—

"(1) for any institutional fiscal year after such determination is made, the sum of the amount expended by the institution on marketing, recruitment, advertising, and lobbying may not exceed the amount of the institution's revenues derived from sources other than Federal education assistance funds; and

"(2) in a case in which the institution fails to meet the requirements of paragraph (1) for 2 consecutive institutional fiscal years, the institution shall be ineligible to participate in the programs authorized by this title for a period of not less than two institutional fiscal years.

"(c) PUBLICATION ON WEBSITE.—The Secretary shall, on an annual basis, publicly disclose on the Department's website, information with respect to any institution of higher education that is subject to the requirements of subsection (b)(1), including—

"(1) the quotient of the amount that the institution expends on instruction divided by the institution's revenues derived from tuition and fees, expressed as a percentage;

"(2) the sum of such institution's expenditures on advertising, recruiting, marketing, and lobbying;

"(3) the amount of such institution's revenues received from sources outside of Federal education assistance funds; and

"(4) the difference between paragraphs (2) and (3).

"SEC. 498E. INSTITUTIONAL DISCLOSURE SYSTEM.

"(a) DEPARTMENTAL DISCLOSURE.—The Secretary shall make available, on a publicly accessible website of the Department of Education, a list of institutions of higher education that—

"(1) have failed to meet the requirements for accreditation by an agency or association recognized by the Secretary pursuant to section 496(a); or

"(2) have failed to meet the requirements for participation in programs under this title.

"(b) INSTITUTIONAL DISCLOSURE.—

"(1) IN GENERAL.—To be eligible to participate in programs under this title, an institution of higher education shall, using the template developed by the Secretary under subsection (c), disclose the accreditation status of the institution on a publicly accessible website of the institution.

"(2) UPDATES.—Any change in the accreditation status of an institution of higher education shall be disclosed in accordance with paragraph (1) not later than 30 days after such change occurs.

"(c) TEMPLATE.—The Secretary shall develop a template that shall be used by institutions of higher education to make the disclosures required under subsection (b). The Secretary shall ensure that the template—

"(1) clearly identifies the information to be disclosed; and

"(2) is in a format that is easily understood by consumers.".

PART I—AMERICA'S COLLEGE PROMISE FEDERAL-STATE PARTNERSHIP

SEC. 4801. PROGRAM AUTHORIZED.

Title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) is amended by adding at the end the following:

"PART J—AMERICA'S COLLEGE PROMISE FEDERAL-STATE PARTNERSHIP

"Subpart 1—State and Indian Tribe Grants for Community Colleges

"SEC. 499A. IN GENERAL.

"From amounts appropriated under section 499G for any fiscal year, the Secretary shall award grants to eligible States and Indian tribes to pay the Federal share of expenditures needed to carry out the activities and services described in section 499E.

"SEC. 499B. FEDERAL SHARE; NON-FEDERAL SHARE.

"(a) FEDERAL SHARE.—

"(1) FORMULA.—Subject to paragraph (2), the Federal share of a grant under this subpart shall be based on a formula, determined by the Secretary, that—

"(A) accounts for the State or Indian tribe's share of eligible students;

"(B) accounts for the ratio between a State or Indian tribe's funding per full-time equivalent (FTE) student at public colleges and universities and the average net price at State public four-year colleges and universities, in such a way as to reward States that keep net prices for students low while maintaining their investment in higher education; and

"(C) provides, for each eligible student in the State or Indian tribe, a per-student amount that is at least 75 percent of—

"(i) for the 2021–2022 award year, the average resident community college tuition and fees per student in all States for the most recent year for which data are available; and

"(ii) for each subsequent award year, the amount determined under this subparagraph for the preceding award year, increased by the lesser of—

"(I) a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) since the date of such determination; or

"(II) 3 percent.

"(2) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In any case in which not less than 75 percent of the students at the community colleges operated or controlled by an Indian tribe are low-income students, the amount of the Federal share for such Indian tribe shall be not less than 95 percent of the total amount needed to waive tuition and fees for all eligible students enrolled in such community colleges.

"(b) STATE OR TRIBAL SHARE.—

"(1) FORMULA.—

"(A) IN GENERAL.—The State or tribal share of a grant under this subpart for each fiscal year shall be the amount needed to pay 25 percent of the average community college resident tuition and fees per student in all States in the 2021–2022 award year for all eligible students in the State or Indian tribe, respectively, for such fiscal year, except as provided in subparagraph (B).

"(B) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In the case of an Indian tribe described in subsection (a)(2), the amount of such Indian tribe's tribal share shall not exceed 5 percent of the total amount needed to waive tuition and fees for all eligible students enrolled in such community colleges.

"(2) NEED-BASED AID.—A State or Indian tribe may include, as part of the State or tribal share, any need-based financial aid that—

"(A) is provided from State or tribal funds to an eligible student; and

"(B) may be used by such student to pay costs of attendance other than tuition and fees.

"(3) NO IN-KIND CONTRIBUTIONS.—A State or Indian tribe shall not include in-kind contributions for purposes of the State or tribal share described in paragraph (1).

"(c) DETERMINING NUMBER OF ELIGIBLE STUDENTS.—

"(1) IN GENERAL.—The Secretary of Education shall develop and implement a process for accurately estimating the number of eligible students in a State or Indian tribe for purposes of subsection (a) and (b).

"(2) INITIAL DETERMINATION.—For the first year for which grants are awarded under this subpart, the number of eligible students in a State or Indian tribe shall be considered to be equal to the number of eligible students that were in the State or tribe for the preceding school year.

"(d) ADJUSTMENT OF GRANT AMOUNT.—Not later than 180 days after the date on which a State or Indian tribe receives a grant under this subpart, the Secretary shall—

"(1) in consultation with the State or tribe concerned, determine whether the actual number of eligible students in the State or Tribe for the year covered by the grant is greater than the estimated number of such students that was used to determine the amount of the grant; and

"(2) if it is determined under paragraph (1) that the actual number of eligible students in the State or Tribe is higher than such estimate, issue a supplementary grant payment to the State or tribe in an amount that ensures that the total amount of the grant funds received by the State or tribe under this subpart for the year covered by the grant accurately reflects the higher number of eligible students.

"SEC. 499C. APPLICATIONS.

"(a) SUBMISSION.—In order to receive a grant under this subpart, a State or tribe shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(b) CONTENTS.—Each application under subsection (a) shall include, at a minimum—

"(1) an estimate of the number of eligible students in the State or Indian tribe and the cost of waiving community college resident tuition and fees for all eligible students for each fiscal year covered by the grant;

"(2) an assurance that all community colleges in the State or under the jurisdiction of the Indian tribe, respectively, will waive resident tuition and fees for eligible students in accordance with section 499D(a);

"(3) a description of the promising and evidence-based institutional reforms and innovative practices to improve student outcomes, including transfer and completion rates, that have been or will be adopted by the participating community colleges, such as—

"(A) providing comprehensive academic and student support services, including mentoring and advising, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education;

"(B) the provision of direct support services such as—

"(i) childcare, transportation, emergency financial assistance, and mental health and substance use disorder treatment;

"(ii) assistance in obtaining health insurance coverage;

"(iii) assistance securing affordable housing;

"(iv) efforts to address food insecurity and campus hunger; and

"(v) efforts to facilitate student participation in means-tested Federal benefit programs (as defined in section 479(d));

"(C) providing accelerated learning opportunities, such as dual or concurrent enrollment programs, including early college high school programs;

"(D) strengthening and reforming remedial and developmental education, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education, including through the use of multiple measures (such as a student's college entrance examination score, grade point average, high school course list, or a placement examination) to identify students in need of remedial education; or

"(E) utilizing career pathways, including through building capacity for career and technical education as defined in section 3(5) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302(5)) and programs of study as defined in section 3(41) of such Act (20 U.S.C. 2302(41)), or degree pathways;

"(4) a description of how the State or Indian tribe will ensure that programs leading to a recognized postsecondary credential meet the quality criteria established by the State under section 123(a) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3153(a)) or other quality criteria determined appropriate by the State or Indian tribe;

"(5) an assurance that all participating community colleges in the State or under the authority of the Indian tribe have entered into program participation agreements under section 487;

"(6) an assurance that the State or Indian tribe will, to the extent practicable, assist eligible students in obtaining information about and accessing means-tested Federal benefit programs (as defined in section 479(d)) for which such students may be eligible;

"(7) an assurance that, for each year of the grant, the State or Indian tribe will notify each eligible student of the student's remaining eligibility for assistance under this subpart; and

"(8) if the application is submitted by a State—

"(A) an assurance that the State will, to the extent practicable, consider changes to State law that will enable more community college students to be eligible for means-tested Federal benefit programs (as defined in section 479(d));

"(B) an assurance that the State will meet the requirements of section 499D(b)(1) relating to the alignment of secondary and postsecondary education; and

"(C) an assurance that the State will meet the requirements of section 499D(b)(2) relating to the improvement of transfer pathways between institutions of higher education.

"SEC. 499D. PROGRAM REQUIREMENTS.

"(a) GENERAL REQUIREMENTS FOR STATES AND INDIAN TRIBES.—As a condition of receiving a grant under this subpart a State or Indian tribe shall meet the following requirements:

"(1) For each year of the grant the total amount of community college resident tuition and fees charged to an eligible student in the State or Indian tribe shall be $0.

"(2) For each year of the grant no amount of financial assistance for which an eligible student qualifies may be applied to such tuition or fees.

"(b) STATE REQUIREMENTS.—As a condition of receiving a grant under this subpart a State shall meet the following requirements:

"(1) ALIGNMENT OF K–12 AND HIGHER EDUCATION.—

"(A) IN GENERAL.—The State shall—

"(i) submit a plan to align the requirements for receiving a regular high school diploma from public high schools in the State with the requirements for entering credit-bearing coursework at participating community colleges in such State; and

"(ii) not later than three years after the date on which the State first receives a grant under this subpart, certify to the Secretary that such alignment has been achieved.

"(B) FAILURE TO CERTIFY.— If a State does not provide the certification required under subparagraph (A) by the date specified in such subparagraph, the State shall submit to the Secretary, at such time and in such manner as the Secretary may require—

"(i) a written explanation for the delay in making the certification; and

"(ii) a plan that will enable the State to make the certification by not later than 5 years after the date on which the State first received a grant under this subpart.

"(2) TRANSFER PATHWAYS.—

"(A) IN GENERAL.—The State shall—

"(i) submit a plan, developed in collaboration with faculty from institutions of higher education in the State, to improve transfer pathways between institutions of higher education in the State, including by ensuring that associate degrees awarded by public institutions in the State are fully transferable to, and credited as, the first 2 years of related baccalaureate programs at public institutions of higher education in such State; and

"(ii) not later than 3 years after the date on which the State first receives a grant under this subpart, certify to the Secretary that an associate degree in an academic major in the arts or sciences that is awarded by a public institution of higher education in the State on or after the date that is not later than 3 years after the date on which the State first receives a grant under this subpart shall be fully transferrable to, and credited as, the first 2 years of a related baccalaureate program at a public institution of higher education in such State.

"(B) FAILURE TO CERTIFY.— If a State does not provide the certification required under subparagraph (A) by the date specified in such subparagraph, the State shall submit to the Secretary, at such time and in such manner as the Secretary may require—

"(i) a written explanation for the delay in making the certification; and

"(ii) a plan that will enable the State to make the certification by not later than 5 years after the date on which the State first received a grant under this subpart.

"(3) APPLICABILITY.—The Secretary may not apply the requirements under this subsection to an Indian tribe.

"SEC. 499E. ALLOWABLE USES OF FUNDS.

"(a) IN GENERAL.—Except as provided in subsection (b), a State or Indian tribe shall use a grant under this subpart only to provide funds to participating community colleges to enable such community colleges to waive resident tuition and fees for eligible students as required under section 499D(a).

"(b) ADDITIONAL USES.—If a State or Indian tribe demonstrates to the Secretary that it has grant funds remaining after meeting the demand for activities described in subsection (a), the State or Indian tribe may use those funds to carry out one or more of the following:

"(1) Enhancing the quality of public higher education to improve student outcomes, including transfer and completion rates, which may include investing in the academic workforce.

"(2) Expanding the scope and capacity of high-quality academic and occupational skills training programs at community colleges, which may include collaboration with one or more industry or sector partnership (as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3201)).

"(3) Improving postsecondary education readiness in the State or Indian tribe, including through outreach and early intervention.

"(4) Expanding access to dual or concurrent enrollment programs, including early college high school programs.

"(5) Improving affordability at 4-year public institutions of higher education.

"(c) USE OF FUNDS FOR ADMINISTRATIVE PURPOSES.—A State or Indian tribe that receives a grant under this subpart may not use any funds provided under this subpart for administrative purposes relating to the grant under this subpart.

"(d) MAINTENANCE OF EFFORT.—A State or Indian tribe receiving a grant under this subpart is entitled to receive its full allotment of funds under this subpart for a fiscal year only if, for each year of the grant, the State or Indian tribe provides—

"(1) financial support for public higher education at a level equal to or exceeding the average amount provided per full-time equivalent student for public institutions of higher education for the three consecutive preceding fiscal years. In making the calculation under this subsection, the State or Indian tribe shall—

"(A) exclude capital expenses and research and development costs; and

"(B) include need-based financial aid for students who attend public institutions of higher education;

"(2) financial support for operational expenses for public, four-year colleges and universities at a level equal to or exceeding the average amount provided for the three consecutive preceding State or Indian tribe fiscal years; and

"(3) financial support for need-based financial aid at a level equal to or exceeding the average amount provided for the three consecutive preceding State or Indian tribe fiscal years.

"(e) ANNUAL REPORT.—A State or Indian tribe receiving a grant under this subpart shall submit an annual report to the Secretary describing the uses of grant funds under this subpart, the progress made in fulfilling the requirements of the grant, and rates of transfer, graduation, and attainment of recognized postsecondary credentials at participating community colleges, including such rates disaggregated by race, income, and age, and including any other information as the Secretary may require.

"(f) REPORTING BY SECRETARY.—The Secretary annually shall—

"(1) compile and analyze the information described in subsection (e); and

"(2) prepare and submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives containing the analysis described in paragraph (1) and an identification of State and Indian tribe best practices for achieving the purpose of this subpart.

"(g) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to eligible States and Indian tribes concerning best practices regarding the promising and evidence-based institutional reforms and innovative practices to improve student outcomes and shall disseminate such best practices among the States and Indian tribes.

"(h) CONTINUATION OF FUNDING.—

"(1) IN GENERAL.—A State or Indian tribe receiving a grant under this subpart for a fiscal year may continue to receive funding under this subpart for

future fiscal years conditioned on the availability of budget authority and on meeting the requirements of the grant, as determined by the Secretary.

"(2) DISCONTINUATION.—The Secretary may discontinue funding of the Federal share of a grant under this subpart if the State or Indian tribe has violated the terms of the grant or is not making adequate progress in implementing the reforms described in the application submitted under section 499C.

"(i) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this subpart shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

"SEC. 499F. DEFINITIONS.

"In this subpart:

"(1) CAREER PATHWAY.—The term 'career pathway' has the meaning given the term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

"(2) COMMUNITY COLLEGE.—The term 'community college' means a public institution of higher education at which the highest degree that is predominantly awarded to students is an associate's degree, including 2-year tribally controlled colleges under section 316 and public 2-year State institutions of higher education.

"(3) DUAL OR CONCURRENT ENROLLMENT PROGRAM.—The term 'dual or concurrent enrollment program' has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(4) EARLY COLLEGE HIGH SCHOOL.—The term 'early college high school' has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(5) ELIGIBLE STUDENT.—

"(A) DEFINITION.—The term 'eligible student' means a student who—

"(i) attends the community college on not less than a half-time basis;

"(ii) is maintaining satisfactory progress (as defined in section 484(c)) in the student's course of study;

"(iii) is enrolled in an eligible program (as defined in section 481(b)); and

"(iv) either—

"(I) qualifies for in-State resident community college tuition, as determined by the State or Indian tribe; or

"(II) would qualify for such in-State resident community college tuition, but for the immigration status of such student.

"(B) SPECIAL RULE.—An otherwise eligible student shall lose eligibility 3 calendar years after first receiving benefits under this subpart.

"(6) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

"(7) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101.

"(8) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term 'recognized postsecondary credential' has the meaning as described in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

"(9) STATE.—The term 'State' has the meaning given the term in section 103.

"SEC. 499G. APPROPRIATIONS.

"(a) AUTHORIZATION AND APPROPRIATIONS.—For the purpose of making grants under this subpart there are authorized to be appropriated, and there are appropriated—

"(1) $1,569,700,000 for fiscal year 2021;
"(2) $3,472,880,000 for fiscal year 2022;
"(3) $4,431,950,000 for fiscal year 2023;
"(4) $6,204,030,000 for fiscal year 2024;
"(5) $8,119,870,000 for fiscal year 2025;
"(6) $9,297,430,000 for fiscal year 2026;
"(7) $11,708,890,000 for fiscal year 2027;
"(8) $14,971,330,000 for fiscal year 2028;
"(9) $15,619,910,000 for fiscal year 2029; and
"(10) $16,296,080,000 for fiscal year 2030 and each succeeding fiscal year.

"(b) AVAILABILITY.—Funds appropriated under subsection (a) shall remain available to the Secretary until expended.

"(c) INSUFFICIENT FUNDS.—If the amount appropriated under subsection (a) for a fiscal year is not sufficient to award each participating State and Indian tribe a grant under this subpart that is equal to the minimum amount of the Federal share described in section 499B, the Secretary may ratably reduce the amount of each

such grant or take other actions necessary to ensure an equitable distribution of such amount.".

SEC. 4802. STUDENT SUCCESS FUND.

Part J of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), as added by section 4801, is further amended by adding at the end the following:

"Subpart 2—Student Success Fund

"SEC. 499H. IN GENERAL.

"From amounts appropriated under section 499N for any fiscal year, the Secretary shall carry out a grant program (to be known as the Student Success Fund) to make grants to eligible entities to carry out the activities and services described in section 499L.

"SEC. 499I. ALLOCATION.

"(a) FEDERAL SHARE ALLOCATION.—The Federal share of a grant under this subpart shall be determined using the formula determined under section 499B(1).

"(b) MATCHING FUNDS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an eligible entity participating in the program under this subpart shall provide, from non-Federal sources, in cash or in-kind—

"(A) in each of the first, second, third, and fourth year of participation in the program, an amount equal to 25 percent of the amount such entity received under subsection (a) with respect to such year;

"(B) in each of the fifth and sixth year of participation in the program, an amount equal to 50 percent of the amount such entity received under subsection (a) with respect to such year;

"(C) in each of the seventh and eighth year of participation in the program, an amount equal to 75 percent of the amount such entity received under subsection (a) with respect to such year; and

"(D) in each ninth year and each subsequent year thereafter of participation in the program, an amount equal to 100 percent of the amount such entity received under subsection (a) with respect to such year.

"(2) EXCEPTION FOR CERTAIN INDIAN TRIBES.—The Secretary may waive the matching fund requirements under paragraph (1) in the case of an eligible entity that is an Indian tribe if at least 75 percent of the students at the institutions of higher education operated or controlled by such Indian tribe are low-income students.

"(3) REALLOTMENT.—If an eligible entity returns to the Secretary any portion of the sums allocated to such eligible entity under this section for any fiscal year, the Secretary shall reallot such excess as part of the available appropriated amount for the succeeding fiscal year.

"(c) SUPPLEMENT, NOT SUPPLANT.—Grant funds awarded under this subpart shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities assisted under this subpart.

"(d) LIMITATION.—An eligible entity may only participate in the program under this subpart in a year in which such entity receives a grant under subpart 1.

"SEC. 499J. APPLICATIONS.

"(a) IN GENERAL.—To be eligible to participate in the program under this subpart, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

"(1) a plan that includes—

"(A) the amount of funds requested by the eligible entity under this subpart and the intended use of such funds;

"(B) how the eligibility entity will use the requested funds to implement promising and evidence-based institutional reforms and innovative practices to improve student outcomes, including those identified by such entity under section 499C(b)(3), and including annual implementation benchmarks that the entity will use to track progress in implementing such reforms and practices;

"(C) how the eligible entity will meet its matching fund requirements under section 499I(b);

"(D) if the eligible entity is a State, how such eligible entity will prioritize spending on the public institutions of higher education specified in paragraph (2)(B); and

"(E) the improvements the eligible entity anticipates in student outcomes, including improvements in transfer rates or completion rates, or both.

"(2) if the eligible entity is a State, an analysis that includes—

"(A) with respect to each public institution of higher education of the eligible entity—

"(i) the total per-student funding;

"(ii) the amount of per-student funding from State-appropriated funds;

"(iii) the student demographics (including, data on race, income, disability status, and remediation); and

"(iv) transfer and completion rates, including such rates among low-income students, students of color, students with disabilities, and students in need of remediation; and

"(B) an analysis of whether, of the public institutions of higher education of the eligible entity, the public institutions of higher education that received less funding on a per-student basis described in clause (i) or (ii), or both, of subparagraph (A), are serving disproportionately high shares of low-income students, students of color, students with disabilities, or students in need of remediation.

"(b) APPROVAL.—

"(1) IN GENERAL.—Not later than 180 days after receiving a plan under subsection (a), the Secretary shall—

"(A) approve the plan; or

"(B) require revisions to such plan.

"(2) REVISIONS REQUIRED.—An eligible entity shall make such revisions as required by the Secretary under paragraph (1)(B).

"(c) PUBLICATION.—The Secretary shall make each plan approved under subsection (b)(1)(A) and each plan revised under subsection (b)(2) available to the public on the website of the Department.

"SEC. 499K. PROGRAM REQUIREMENTS.

"(a) GENERAL REQUIREMENTS.—

"(1) REPORT ON DEMONSTRATED PROGRESS.—For the third year in which an eligible entity participates in the program under this subpart, and every 2 years thereafter, the eligible entity shall submit a report to the Secretary, in such manner and containing such information as the Secretary may require, that includes—

"(A) the progress in meeting the annual implementation benchmarks included in the application of such eligible entity under section 499J(a)(1)(B);

"(B) the progress in improving the student outcomes identified by the entity under section 499(J)(a)(1)(E); and

"(C) with respect to the 2 years after such report is submitted—

"(i) a plan for the use of funds under this subpart; and

"(ii) the amount of funds requested by the eligible entity under this subpart .

"(2) APPROVAL.—Not later than 180 days after receiving a plan under paragraph (1)(C)(i), the Secretary shall—

"(A) approve the plan; or

"(B) require revisions to such plan.

"(3) REVISIONS REQUIRED.—An eligible entity shall make such revisions as required by the Secretary under paragraph (2)(B).

"(b) FAILURE TO MEET REQUIREMENTS.— If an eligible entity does not meet the annual implementation benchmarks included in the application of such eligible entity under section 499J(a)(1)(B), as required to be reported under subsection (a)(1)(A), such eligible entity shall submit to the Secretary, at such time and in such manner as the Secretary may require—

"(1) a written explanation for the delay in meeting such requirements; and

"(2) a plan that will enable such eligible entity to meet such requirements not later than 1 year after the date on which the eligible entity submitted the written explanation under paragraph (1).

"(c) PUBLICATION.—The Secretary shall make each plan approved under subsection (a)(2)(A), each plan revised under subsection (a)(3), and each plan submitted under subsection (b)(2) available to the public on the website of the Department.

"SEC. 499L. ALLOWABLE USES OF FUNDS.

"(a) IN GENERAL.—Except as provided in subsection (b), an eligible entity shall use a grant under this subpart only to allocate funds in accordance with the plan submitted for such year under section 499J(a)(1).

"(b) USE OF FUNDS FOR ADMINISTRATIVE PURPOSES.—An eligible entity that receives a grant under this subpart may use not more than 10 percent of such grant for administrative purposes relating to the grant under this subpart.

"SEC. 499M. ELIGIBLE ENTITY DEFINED.

"In this subpart, the term 'eligible entity' means a State or Indian tribe that received a grant under subpart 1 for the fiscal year in which such State or Indian tribe receives a grant under this subpart.

"SEC. 499N. APPROPRIATIONS.

"(a) AUTHORIZATION AND APPROPRIATIONS.—For the purpose of making grants under this subpart there are authorized to be appropriated and there are appropriated $500,000,000 for fiscal year 2021 and each succeeding fiscal year.

"(b) AVAILABILITY.—Funds appropriated under subsection (a) shall remain available to the Secretary until expended.".

SEC. 4803. PATHWAYS TO STUDENT SUCCESS FOR HISTORICALLY BLACK COLLEGES AND UNIVERSITIES, TRIBAL COLLEGES AND UNIVERSITIES, AND MINORITY-SERVING INSTITUTIONS.

Part J of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), as added and amended by this part, is further amended by adding at the end the following:

"Subpart 3—Grants to Historically Black Colleges and Universities, Tribal Colleges and Universities, and Minority-Serving Institutions

"SEC. 499O. PATHWAYS TO STUDENT SUCCESS FOR HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

"(a) IN GENERAL.—From amounts appropriated under section 499S(a) for any fiscal year, the Secretary shall award grants to participating 4-year historically black colleges or universities that meet the requirements of subsection (b) to—

"(1) encourage students to enroll and successfully complete a bachelor's degree at participating institutions;

"(2) provide incentives to community college students to transfer to participating institutions through strong transfer pathways to complete a bachelor's degree program; and

"(3) support participating institutions to better serve new and existing students by engaging in reforms and innovations designed to improve completion rates and other student outcomes.

"(b) ELIGIBILITY.—To be eligible to receive a grant under the program under this section, an institution shall be a historically black college or university that—

"(1) has a student body of which not less than 35 percent are low-income students;

"(2) commits to maintaining or adopting and implementing promising and evidence-based institutional reforms and innovative practices to improve the completion rates and other student outcomes, such as—

"(A) providing comprehensive academic and student support services, including mentoring and advising, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education;

"(B) providing direct support services such as—

"(i) childcare, transportation, emergency financial assistance, and mental health and substance use disorder treatment;

"(ii) assistance in obtaining health insurance coverage;

"(iii) assistance securing affordable housing;

"(iv) efforts to address food insecurity and campus hunger; and

"(v) efforts to facilitate student participation in means-tested Federal benefit programs (as defined in section 479(d));

"(C) providing accelerated learning opportunities and degree pathways, such as dual enrollment and pathways to graduate and professional degree programs;

"(D) partnering with employers, industry, not-for-profit associations, and other groups to provide opportunities to advance learning outside the classroom, including work-based learning opportunities such as internships or apprenticeships or programs designed to improve inter-cultural development and personal growth, such as foreign exchange and study abroad programs; or

"(E) strengthening remedial education, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education, including through the use of multiple measures (such as a student's college entrance

examination score, grade point average, high school course list, or a placement examination) to identify students in need of remedial education;

"(3) sets performance goals for improving student outcomes for the duration of the grant; and

"(4) if receiving a grant for transfer students, has articulation agreements with community colleges at the national, State, or local level to ensure that community college credits can fully transfer to the participating institution.

"(c) GRANT AMOUNT.—

"(1) INITIAL AMOUNT.—For the first year that an eligible institution participates in the grant program under this section and subject to paragraph (3), such eligible institution shall receive a grant in an amount based on the product of—

"(A) the actual cost of tuition and fees at the eligible institution in such year (referred to in this section as the per-student rebate); and

"(B) the number of eligible students enrolled in the eligible institution for the preceding year.

"(2) SUBSEQUENT INCREASES.—For each succeeding year after the first year of the grant program under this section, each participating eligible institution shall receive a grant in the amount determined under paragraph (1) for such year, except that in no case shall the amount of the per-student rebate for an eligible institution increase by more than 3 percent as compared to the amount of such rebate for the preceding year.

"(3) LIMITATIONS.—

"(A) MAXIMUM PER-STUDENT REBATE.—No eligible institution participating in the grant program under this section shall receive a per-student rebate amount for any year that is greater than the national average of annual tuition and fees at public 4-year institutions of higher education for such year, as determined by the Secretary.

"(B) FIRST-YEAR TUITION AND FEES.—During the first year of participation in the grant program under this section, no eligible institution may increase tuition and fees at a rate greater than any annual increase at the eligible institution in the previous 5 years.

"(d) APPLICATION.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(e) USE OF FUNDS.—Funds awarded under this section to a participating eligible institution shall be used to waive or significantly reduce tuition and fees for eligible students in an amount of not more than up to the annual per-student rebate amount for each student, for not more than the first 60 credits an eligible student enrolls in the participating eligible institution.

"(f) SUPPLEMENT, NOT SUPPLANT.—Funds made available under section 499S to carry out this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

"SEC. 499P. PATHWAYS TO STUDENT SUCCESS FOR TRIBAL COLLEGES AND UNIVERSITIES.

"(a) IN GENERAL.—From amounts appropriated under section 499S(a) for any fiscal year, the Secretary shall award grants to participating 4-year Tribal Colleges or Universities that meet the requirements of subsection (b) to—

"(1) encourage students to enroll and successfully complete a bachelor's degree at participating institutions;

"(2) provide incentives to community college students to transfer to participating institutions through strong transfer pathways to complete a bachelor's degree program; and

"(3) support participating institutions to better serve new and existing students by engaging in reforms and innovations designed to improve completion rates and other student outcomes.

"(b) ELIGIBILITY.—To be eligible to receive a grant under the program under this section, an institution shall be a Tribal College or University that—

"(1) has a student body of which not less than 35 percent are low-income students;

"(2) commits to maintaining or adopting and implementing promising and evidence-based institutional reforms and innovative practices to improve the completion rates and other student outcomes, such as—

"(A) providing comprehensive academic and student support services, including mentoring and advising, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education;

"(B) providing direct support services such as—

"(i) childcare, transportation, emergency financial assistance, and mental health and substance use disorder treatment;

"(ii) assistance in obtaining health insurance coverage;

"(iii) assistance securing affordable housing;

"(iv) efforts to address food insecurity and campus hunger; and

"(v) efforts to facilitate student participation in means-tested Federal benefit programs (as defined in section 479(d));

"(C) providing accelerated learning opportunities and degree pathways, such as dual enrollment and pathways to graduate and professional degree programs;

"(D) partnering with employers, industry, not-for-profit associations, and other groups to provide opportunities to advance learning outside the classroom, including work-based learning opportunities such as internships or apprenticeships or programs designed to improve inter-cultural development and personal growth, such as foreign exchange and study abroad programs; or

"(E) strengthening remedial education, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education, including through the use of multiple measures (such as a student's college entrance examination score, grade point average, high school course list, or a placement examination) to identify students in need of remedial education;

"(3) sets performance goals for improving student outcomes for the duration of the grant; and

"(4) if receiving a grant for transfer students, has articulation agreements with community colleges at the national, State, or local level to ensure that community college credits can fully transfer to the participating institution.

"(c) GRANT AMOUNT.—

"(1) INITIAL AMOUNT.—For the first year that an eligible institution participates in the grant program under this section and subject to paragraph (3), such eligible institution shall receive a grant in an amount based on the product of—

"(A) the actual cost of tuition and fees at the eligible institution in such year (referred to in this section as the per-student rebate); and

"(B) the number of eligible students enrolled in the eligible institution for the preceding year.

"(2) SUBSEQUENT INCREASES.—For each succeeding year after the first year of the grant program under this section, each participating eligible institution shall receive a grant in the amount determined under paragraph (1) for such year, except that in no case shall the amount of the per-student rebate for an eligible institution increase by more than 3 percent as compared to the amount of such rebate for the preceding year.

"(3) LIMITATIONS.—

"(A) MAXIMUM PER-STUDENT REBATE.—No eligible institution participating in the grant program under this section shall receive a per-student rebate amount for any year that is greater than the national average of annual tuition and fees at public 4-year institutions of higher education for such year, as determined by the Secretary.

"(B) FIRST-YEAR TUITION AND FEES.—During the first year of participation in the grant program under this section, no eligible institution may increase tuition and fees at a rate greater than any annual increase at the eligible institution in the previous 5 years.

"(d) APPLICATION.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(e) USE OF FUNDS.—Funds awarded under this section to a participating eligible institution shall be used to waive or significantly reduce tuition and fees for eligible students in an amount of not more than up to the annual per-student rebate amount for each student, for not more than the first 60 credits an eligible student enrolls in the participating eligible institution.

"(f) SUPPLEMENT, NOT SUPPLANT.—Funds made available under section 499S to carry out this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

"SEC. 499Q. PATHWAYS TO STUDENT SUCCESS FOR HISPANIC-SERVING INSTITUTIONS, ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTIONS, ALASKA NATIVE-SERVING INSTITUTIONS, NATIVE HAWAIIAN-SERVING INSTITUTIONS, PREDOMINANTLY BLACK INSTITUTIONS, AND NATIVE AMERICAN-SERVING NONTRIBAL INSTITUTIONS.

"(a) IN GENERAL.—From amounts appropriated under section 499S(a) for any fiscal year, the Secretary shall award grants to participating 4-year minority-serving institutions to—

"(1) encourage students to enroll and successfully complete a bachelor's degree at participating institutions;

"(2) provide incentives to community college students to transfer to participating institutions through strong transfer pathways to complete a bachelor's degree program; and

"(3) support participating institutions to better serve new and existing students by engaging in reforms and innovations designed to improve completion rates and other student outcomes.

"(b) INSTITUTIONAL ELIGIBILITY.—To be eligible to participate and receive a grant under this section, an institution shall be a minority-serving institution that—

"(1) has a student body of which not less than 35 percent are low-income students;

"(2) commits to maintaining or adopting and implementing promising and evidence-based institutional reforms and innovative practices to improve the completion rates and other student outcomes, such as—

"(A) providing comprehensive academic and student support services, including mentoring and advising, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are historically underrepresented in higher education;

"(B) providing direct support services such as—

"(i) childcare, transportation, emergency financial assistance, and mental health and substance use disorder treatment;

"(ii) assistance in obtaining health insurance coverage;

"(iii) assistance securing affordable housing;

"(iv) efforts to address food insecurity and campus hunger; and

"(v) efforts to facilitate student participation in means-tested Federal benefit programs (as defined in section 479(d));

"(C) providing accelerated learning opportunities and degree pathways, such as dual enrollment and pathways to graduate and professional degree programs;

"(D) partnering with employers, industry, not-for-profit associations, and other groups to provide opportunities to advance learning outside the classroom, including work-based learning opportunities such as internships or apprenticeships or programs designed to improve inter-cultural development and personal growth, such as foreign exchange and study abroad programs; or

"(E) strengthening remedial education, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education, including through the use of multiple measures (such as a student's college entrance examination score, grade point average, high school course list, or a placement examination) to identify students in need of remedial education;

"(3) sets performance goals for improving student outcomes for the duration of the grant; and

"(4) if receiving a grant for transfer students, has articulation agreements with community colleges at the national, State, or local levels to ensure that community college credits can fully transfer to the participating institution.

"(c) GRANT AMOUNT.—

"(1) INITIAL AMOUNT.—For the first year that an eligible institution participates in the grant program under this section and subject to paragraph (3), such participating eligible institution shall receive a grant in an amount based on the product of—

"(A) the actual cost of tuition and fees at the eligible institution in such year (referred to in this section as the per-student rebate); and

"(B) the number of eligible students enrolled in the eligible institution for the preceding year.

"(2) SUBSEQUENT INCREASES.—For each succeeding year after the first year of the grant program under this section, each participating eligible institution shall receive a grant in the amount determined under paragraph (1) for such year, except that in no case shall the amount of the per-student rebate increase by more than 3 percent as compared to the amount of such rebate for the preceding year.

"(3) LIMITATIONS.—

"(A) MAXIMUM PER-STUDENT REBATE.—No eligible institution participating in the grant program under this section shall receive a per-student rebate amount for a grant year greater than the national average of public four-year institutional tuition and fees, as determined by the Secretary.

"(B) FIRST-YEAR TUITION AND FEES.—During the first year of participation in the grant program under this section, no eligible institution may increase tuition and fees at a rate greater than any annual increase made by the institution in the previous 5 years.

"(d) APPLICATION.—An eligible institution shall submit an application to the Secretary at such time, in such a manner, and containing such information as determined by the Secretary.

"(e) USE OF FUNDS.—Funds awarded under this section to a participating eligible institution shall be used to waive or significantly reduce tuition and fees for eligible students in an amount of not more than up to the annual per-student rebate amount for each student, for not more than the first 60 credits an eligible student enrolls in the participating eligible institution.

"(f) SUPPLEMENT, NOT SUPPLANT.—Funds made available under section 499S to carry out this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

"SEC. 499R. DEFINITIONS.

"In this subpart:

"(1) ELIGIBLE STUDENT.—

"(A) DEFINITION.—The term 'eligible student' means a student, regardless of age, who—

"(i)(I) enrolls in a historically black college or university, Tribal College or University, or minority-serving institution; or

"(II) transfers from a community college into a historically black college or university, Tribal College or University, or minority-serving institution;

"(ii) attends the historically black college or university, Tribal College or University, or minority-serving institution, on at least a half-time basis;

"(iii) maintains satisfactory academic progress; and

"(iv) is a low-income student.

"(B) SPECIAL RULES.—

"(i) FIRST 3 YEARS.—An otherwise eligible student shall lose eligibility 3 calendar years after first receiving benefits under this title.

"(ii) SPECIAL RULE FOR CERTAIN STUDENTS.—Notwithstanding subparagraph (A)(i), an otherwise eligible student whose parent or guardian was denied a Federal Direct PLUS loan under part D after November 1, 2011, and before March 29, 2015, and who subsequently withdrew from a historically black college or university, Tribal College or University, or minority-serving institution, and has not yet completed a program of study at such historically black college or university or minority-serving institution, shall be eligible to participate under sections 499O, 499P, or 499Q in order to complete such program of study, subject to all other requirements of sections 499O, 499P, or 499Q (as the case may be).

"(2) HISTORICALLY BLACK COLLEGE OR UNIVERSITY.—The term 'historically black college or university' means a part B institution described in section 322(2).

"(3) LOW-INCOME STUDENT.—The term 'low-income student'—

"(A) shall include any student eligible for a Federal Pell Grant under section 401; and

"(B) may include a student ineligible for a Federal Pell Grant under section 401 who is determined by the institution to be a low-income student based on an analysis of the student's ability to afford the cost of attendance at the institution.

"(4) MINORITY-SERVING INSTITUTION.—The term 'minority-serving institution' means any public or not-for-profit institution of higher education—

"(A) described in paragraph (2) and paragraphs (4) through (7) of section 371(a); and

"(B) designated as a minority-serving institution by the Secretary.

"(5) TRIBAL COLLEGE OR UNIVERSITY.—The term 'Tribal College or University' has the meaning given the term in section 316.

"SEC. 499S. APPROPRIATIONS.

"(a) AUTHORIZATION AND APPROPRIATIONS FOR HBCU, TCU, AND MSI GRANTS.—For the purpose of carrying out sections 499O, 499P, and 499Q there are authorized to be appropriated, and there are appropriated—

"(1) $63,250,000 for fiscal year 2021;
"(2) $206,990,000 for fiscal year 2022;
"(3) $1,232,760,000 for fiscal year 2023;
"(4) $1,282,210,000 for fiscal year 2024;
"(5) $1,333,950,000 for fiscal year 2025;
"(6) $1,386,850,000 for fiscal year 2026;
"(7) $1,408,700,000 for fiscal year 2027;
"(8) $1,501,850,000 for fiscal year 2028;
"(9) $1,562,800,000 for fiscal year 2029; and
"(10) $1,626,040,000 for fiscal year 2030 and each succeeding fiscal year.

"(b) AVAILABILITY.—Funds appropriated under subsection (a) are to remain available to the Secretary until expended.

"(c) INSUFFICIENT FUNDS.—If the amount appropriated under subsection (a) for a fiscal year is not sufficient to award each participating institution in the grant programs under sections 499O, 499P, and 499Q a grant under this part equal to 100 percent of the grant amount determined under section 499O(c), 499P(c), or 499Q(c), as appropriate, the Secretary may ratably reduce the amount of each such grant or take other actions necessary to ensure an equitable distribution of such amount.".

SEC. 4804. UNMET NEED FOR FEDERAL PELL GRANT RECIPIENTS.

Part J of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), as added and amended by this part, is further amended by adding at the end the following:

"Subpart 4—Additional College Affordability Grants

"SEC. 499T. UNMET NEED FOR FEDERAL PELL GRANT RECIPIENTS.

"(a) IN GENERAL.—

"(1) GRANT PROGRAM.—Subject to paragraph (2), from amounts appropriated under subsection (f) for any fiscal year, the Secretary may award grants to eligible States and Indian tribes described in paragraph (3) to pay the Federal share of expenditures needed to carry out the activities and services described in subsection (d).

"(2) LIMITATION.—The Secretary may not make grants under paragraph (1) in fiscal year unless all grants eligible to be made under subpart 1 have been made for such fiscal year.

"(3) ELIGIBILITY.—A State or Indian tribe may only be eligible for a grant under this section in a fiscal year if such State or Indian tribe received a grant under subpart 1 for such fiscal year.

"(b) FEDERAL SHARE; NON-FEDERAL SHARE.—

"(1) FEDERAL SHARE.—

"(A) FORMULA.—Subject to paragraph (2), the Federal share of a grant under this section shall be based on a formula, determined by the Secretary, that—

"(i) accounts for the State or Indian tribe's share of Pell Grant recipients;

"(ii) provides, for each Pell Grant recipient in the State or Indian tribe, a per-student amount that is at least 75 percent of—

"(I) for the first award year for which grants are made under this section, the average unmet need of Pell Grant recipients in all States for the most recent year for which data are available; and

"(II) for each subsequent award year, the amount determined under this subparagraph for the preceding award year, increased by the lesser of—

"(aa) a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) since the date of such determination; or

"(bb) 3 percent.

"(B) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In any case in which not less than 75 percent of the students at the institutions of higher education operated or controlled by an Indian tribe are low-income students, the amount of the Federal share for such Indian tribe shall be not less than 95 percent of the total amount needed to waive tuition and fees for all Pell Grant recipients enrolled in such institutions of higher education.

"(2) STATE OR TRIBAL SHARE.—

"(A) FORMULA.—

"(i) IN GENERAL.—The State or tribal share of a grant under this section for each fiscal year shall be the amount needed to pay 25 percent of the average unmet need of Pell Grant recipients in all States in the first award year for which grants are made under this section for all Pell Grant recipients in the State or Indian tribe, respectively, for such fiscal year, except as provided in clause (ii).

"(ii) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In the case of an Indian tribe described in paragraph (1)(B), the amount of such Indian tribe's tribal share shall not exceed 5 percent of the total amount needed to pay the average unmet need for all Pell Grant recipients enrolled in the institutions of higher education described in such paragraph.

"(B) NEED-BASED AID.—A State or Indian tribe may include, as part of the State or tribal share, any need-based financial aid that—

"(i) is provided from State or tribal funds to a Pell Grant recipient; and

"(ii) may be used by such student to pay costs of attendance other than tuition and fees.

"(3) DETERMINING NUMBER OF PELL GRANT RECIPIENTS.—

"(A) IN GENERAL.—The Secretary shall develop and implement a process for accurately estimating the number of Pell Grant recipients in a State or Indian tribe for purposes of paragraphs (1) and (2).

"(B) INITIAL DETERMINATION.—For the first year for which grants are awarded under this section, the number of Pell Grant recipients in a State or Indian tribe shall be considered to be equal to the number of Pell Grant recipients that were in the State or tribe for the preceding school year.

"(4) ADJUSTMENT OF GRANT AMOUNT.—Not later than 180 days after the date on which a State or Indian tribe receives a grant under this section, the Secretary shall—

"(A) in consultation with the State or tribe concerned, determine whether the actual number of Pell Grant recipients in the State or Tribe for the year covered by the grant is greater than the estimated number of such students that was used to determine the amount of the grant; and

"(B) if it is determined under paragraph (1) that the actual number of Pell Grant recipients in the State or Tribe is higher than such estimate, issue a supplementary grant payment to the State or tribe in an amount that ensures that the total amount of the grant funds received by the State or tribe under this section for the year covered by the grant accurately reflects the higher number of Pell Grant recipients.

"(c) APPLICATIONS.—In order to receive a grant under this section, a State or tribe shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(d) ALLOWABLE USES OF FUNDS.—

"(1) IN GENERAL.—A State or Indian tribe shall use a grant under this section only to provide to each Pell Grant recipient a grant that equals the unmet need of such recipient.

"(2) ANNUAL REPORT.—A State or Indian tribe receiving a grant under this section shall submit an annual report to the Secretary describing the uses of grant funds under this section, the progress made in fulfilling the requirements of the grant, and rates of transfer, graduation, and attainment of recognized postsecondary credentials at institutions of higher education in the State or Indian tribe, including such rates disaggregated by race, income, and age, and including any other information as the Secretary may require.

"(3) REPORTING BY THE SECRETARY.—The Secretary annually shall—

"(A) compile and analyze the information described in paragraph (2); and

"(B) prepare and submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives containing the analysis described in subparagraph (A) and an identification of State and Indian tribe best practices for achieving the purpose of this section.

"(4) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to eligible States and Indian tribes concerning best practices regarding the promising and evidence-based institutional reforms and innovative practices to improve student outcomes and shall disseminate such best practices among the States and Indian tribes.

"(5) CONTINUATION OF FUNDING.—

"(A) IN GENERAL.—A State or Indian tribe receiving a grant under this section for a fiscal year may continue to receive funding under this section

for future fiscal years conditioned on the availability of budget authority and on meeting the requirements of the grant, as determined by the Secretary.

"(B) DISCONTINUATION.—The Secretary may discontinue funding of the Federal share of a grant under this section if the State or Indian tribe has violated the terms of the grant.

"(6) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

"(e) DEFINITIONS.—In this section:

"(1) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

"(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101.

"(3) PELL GRANT RECIPIENT.—

"(A) DEFINITION.—The term 'Pell Grant recipient' means a student who—

"(i) attends a public institution of higher education on not less than a half-time basis;

"(ii) is a recipient of a Federal Pell Grant under subpart 1 of part A of title IV of this Act;

"(iii) is maintaining satisfactory progress (as defined in section 484(c)) in the student's course of study;

"(iv) is enrolled in an eligible program (as defined in section 481(b)); and

"(v) either—

"(I) qualifies for in-State resident institution of higher education tuition, as determined by the State or Indian tribe; or

"(II) would qualify for such in-State tuition, but for the immigration status of such student.

"(B) SPECIAL RULE.—An otherwise Pell Grant recipient shall lose eligibility under this section—

"(i) after 3 years of receiving benefits under this section for enrollment at a community college (as defined in section 499F); and

"(ii) after 6 years of receiving benefits under this section for enrollment in a 4-year institution of higher education.

"(4) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term 'recognized postsecondary credential' has the meaning as described in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

"(5) STATE.—The term 'State' has the meaning given the term in section 103.

"(6) UNMET NEED.—The term 'unmet need' means, with respect to a Pell Grant recipient, the amount determined by calculating the difference between—

"(A) the institution's cost of attendance (as defined in section 472) for the year for which the determination is made; and

"(B) the sum of—

"(i) the total amount of need-based grant aid and merit-based grant aid, from Federal, State, and institutional sources, provided to such Pell Grant recipient for the year for which the determination is made; and

"(ii) the expected family contribution for such Pell Grant recipient for the year for which the determination is made.

"(f) APPROPRIATIONS.—

"(1) AUTHORIZATION AND APPROPRIATIONS.—For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2021 and each succeeding fiscal year.

"(2) AVAILABILITY.—Funds appropriated under paragraph (1) shall remain available to the Secretary until expended.

"(3) INSUFFICIENT FUNDS.—If the amount appropriated under paragraph (1) for a fiscal year is not sufficient to award each participating State and Indian tribe a grant under this section that is equal to the minimum amount of the Federal share described in subsection (b), the Secretary may ratably reduce the amount of each such grant or take other actions necessary to ensure an equitable distribution of such amount.

"(4) TRANSFER AVAILABILITY.—The Secretary is authorized, subject to the availability of appropriations, to transfer amounts authorized to be appropriated to carry out subpart 1 for a fiscal year to make grants under this section if all

grants eligible to be made under such subpart have been made for such fiscal year.".

SEC. 4805. UNMET NEED FOR STUDENTS.

Subpart 4 of part J of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), as added and amended by this part, is further amended by adding at the end the following:

"SEC. 499U. UNMET NEED FOR STUDENTS.

"(a) IN GENERAL.—

"(1) GRANT PROGRAM.—Subject to paragraph (2), from amounts appropriated under subsection (f) for any fiscal year, the Secretary may award grants to eligible States and Indian tribes described in paragraph (3) to pay the Federal share of expenditures needed to carry out the activities and services described in subsection (d).

"(2) LIMITATION.—The Secretary may not make grants under paragraph (1) in fiscal year unless—

"(A) all grants eligible to be made under subpart 1 have been made for such fiscal year; and

"(B) all grants eligible to be made under section 499T have been made for such fiscal year.

"(3) ELIGIBILITY.—A State or Indian tribe may only be eligible for a grant under this section in a fiscal year if such State or Indian tribe received—

"(A) a grant under subpart 1 for such fiscal year; and

"(B) a grant under 499T for such fiscal year.

"(b) FEDERAL SHARE; NON-FEDERAL SHARE.—

"(1) FEDERAL SHARE.—

"(A) FORMULA.—Subject to paragraph (2), the Federal share of a grant under this section shall be based on a formula, determined by the Secretary, that—

"(i) accounts for the State or Indian tribe's share of eligible students;

"(ii) provides, for each eligible student in the State or Indian tribe, a per-student amount that is at least 75 percent of—

"(I) for the first award year for which grants are made under this section, the average unmet need of eligible students in all States for the most recent year for which data are available; and

"(II) for each subsequent award year, the amount determined under this subparagraph for the preceding award year, increased by the lesser of—

"(aa) a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) since the date of such determination; or

"(bb) 3 percent.

"(B) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In any case in which not less than 75 percent of the students at the institutions of higher education operated or controlled by an Indian tribe are low-income students, the amount of the Federal share for such Indian tribe shall be not less than 95 percent of the total amount needed to waive tuition and fees for all eligible students enrolled in such institutions of higher education.

"(2) STATE OR TRIBAL SHARE.—

"(A) FORMULA.—

"(i) IN GENERAL.—The State or tribal share of a grant under this section for each fiscal year shall be the amount needed to pay 25 percent of the average unmet need of eligible students in all States in the first award year for which grants are made under this section for all eligible students in the State or Indian tribe, respectively, for such fiscal year, except as provided in clause (ii).

"(ii) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In the case of an Indian tribe described in paragraph (1)(B), the amount of such Indian tribe's tribal share shall not exceed 5 percent of the total amount needed to pay the average unmet need for all eligible students enrolled in the institutions of higher education described in such subparagraph.

"(B) NEED-BASED AID.—A State or Indian tribe may include, as part of the State or tribal share, any need-based financial aid that—

"(i) is provided from State or tribal funds to an eligible student; and

"(ii) may be used by such student to pay costs of attendance other than tuition and fees.

"(3) DETERMINING NUMBER OF ELIGIBLE STUDENTS.—

"(A) IN GENERAL.—The Secretary shall develop and implement a process for accurately estimating the number of eligible students in a State or Indian tribe for purposes of paragraphs (1) and (2).

"(B) INITIAL DETERMINATION.—For the first year for which grants are awarded under this section, the number of eligible students in a State or Indian tribe shall be considered to be equal to the number of eligible students that were in the State or tribe for the preceding school year.

"(4) ADJUSTMENT OF GRANT AMOUNT.—Not later than 180 days after the date on which a State or Indian tribe receives a grant under this section, the Secretary shall—

"(A) in consultation with the State or tribe concerned, determine whether the actual number of eligible students in the State or Tribe for the year covered by the grant is greater than the estimated number of such students that was used to determine the amount of the grant; and

"(B) if it is determined under paragraph (1) that the actual number of eligible students in the State or Tribe is higher than such estimate, issue a supplementary grant payment to the State or tribe in an amount that ensures that the total amount of the grant funds received by the State or tribe under this section for the year covered by the grant accurately reflects the higher number of eligible students.

"(c) APPLICATIONS.—In order to receive a grant under this section, a State or tribe shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(d) ALLOWABLE USES OF FUNDS.—

"(1) IN GENERAL.—A State or Indian tribe shall use a grant under this section only to provide to each eligible student a grant that equals the unmet need of such recipient.

"(2) ANNUAL REPORT.—A State or Indian tribe receiving a grant under this section shall submit an annual report to the Secretary describing the uses of grant funds under this section, the progress made in fulfilling the requirements of the grant, and rates of transfer, graduation, and attainment of recognized postsecondary credentials at institutions of higher education in the State or Indian tribe, including such rates disaggregated by race, income, and age, and including any other information as the Secretary may require.

"(3) REPORTING BY THE SECRETARY.—The Secretary annually shall—

"(A) compile and analyze the information described in paragraph (2); and

"(B) prepare and submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives containing the analysis described in subparagraph (A) and an identification of State and Indian tribe best practices for achieving the purpose of this section.

"(4) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to eligible States and Indian tribes concerning best practices regarding the promising and evidence-based institutional reforms and innovative practices to improve student outcomes and shall disseminate such best practices among the States and Indian tribes.

"(5) CONTINUATION OF FUNDING.—

"(A) IN GENERAL.—A State or Indian tribe receiving a grant under this section for a fiscal year may continue to receive funding under this section for future fiscal years conditioned on the availability of budget authority and on meeting the requirements of the grant, as determined by the Secretary.

"(B) DISCONTINUATION.—The Secretary may discontinue funding of the Federal share of a grant under this section if the State or Indian tribe has violated the terms of the grant.

"(6) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

"(e) DEFINITIONS.—In this section:

"(1) ELIGIBLE STUDENT.—

"(A) DEFINITION.—The term 'eligible student' means a student who—

"(i) attends a public institution of higher education on not less than a half-time basis;

"(ii) is not a recipient of a Federal Pell Grant under subpart 1 of part A of title IV of this Act;

"(iii) is maintaining satisfactory progress (as defined in section 484(c)) in the student's course of study;

"(iv) is enrolled in an eligible program (as defined in section 481(b)); and

"(v) either—

"(I) qualifies for in-State resident institution of higher education tuition, as determined by the State or Indian tribe; or

"(II) would qualify for such in-State tuition, but for the immigration status of such student.

"(B) SPECIAL RULE.—An otherwise eligible student shall lose eligibility under this section—

"(i) after 3 years of receiving benefits under this section for enrollment at a community college (as defined in section 499F); and

"(ii) after 6 years of receiving benefits under this section for enrollment in a 4-year institution of higher education.

"(2) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

"(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101.

"(4) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term 'recognized postsecondary credential' has the meaning as described in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

"(5) STATE.—The term 'State' has the meaning given the term in section 103.

"(6) UNMET NEED.—The term 'unmet need' means, with respect to an eligible student, the amount determined by calculating the difference between—

"(A) the institution's cost of attendance (as defined in section 472) for the year for which the determination is made; and

"(B) the sum of—

"(i) the total amount of need-based grant aid and merit-based grant aid, from Federal, State, and institutional sources, provided to such eligible student for the year for which the determination is made; and

"(ii) the expected family contribution for such eligible student for the year for which the determination is made.

"(f) APPROPRIATIONS.—

"(1) AUTHORIZATION AND APPROPRIATIONS.—For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2021 and each succeeding fiscal year.

"(2) AVAILABILITY.—Funds appropriated under paragraph (1) shall remain available to the Secretary until expended.

"(3) INSUFFICIENT FUNDS.—If the amount appropriated under paragraph (1) for a fiscal year is not sufficient to award each participating State and Indian tribe a grant under this section that is equal to the minimum amount of the Federal share described in subsection (b), the Secretary may ratably reduce the amount of each such grant or take other actions necessary to ensure an equitable distribution of such amount.

"(4) TRANSFER AVAILABILITY.—The Secretary is authorized, subject to the availability of appropriations, to transfer amounts authorized to be appropriated to carry out subpart 1 or to carry out section 499T for a fiscal year to make grants under this section if—

"(A) all grants eligible to be made under such subpart have been made for such fiscal year; and

"(B) all grants eligible to be made under such section have been made for such fiscal year.".

SEC. 4806. TUITION WAIVERS.

Subpart 4 of part J of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), as added and amended by this part, is further amended by adding at the end the following:

"SEC. 499V. TUITION WAIVERS.

"(a) IN GENERAL.—

"(1) GRANT PROGRAM.—Subject to paragraph (2), from amounts appropriated under subsection (g) for any fiscal year, the Secretary may award grants to eligible States and Indian tribes to pay the Federal share of expenditures needed to carry out the activities and services described in subsection (d).

"(2) LIMITATION.—The Secretary may not make grants under paragraph (1) in fiscal year unless—

"(A) all grants eligible to be made under subpart 1 have been made for such fiscal year;

"(B) all grants eligible to be made under 499T have been made for such fiscal year; and

"(C) all grants eligible to be made under 499U have been made for such fiscal year.

"(3) ELIGIBILITY.—A State or Indian tribe may only be eligible for a grant under this section in a fiscal year if such State or Indian tribe received—

"(A) a grant under subpart 1 for such fiscal year;

"(B) a grant under section 499T for such fiscal year; and

"(C) a grant under 499U for such fiscal year.

"(b) FEDERAL SHARE; NON-FEDERAL SHARE.—

"(1) FEDERAL SHARE.—

"(A) FORMULA.—Subject to paragraph (2), the Federal share of a grant under this section shall be based on a formula, determined by the Secretary, that—

"(i) accounts for the State or Indian tribe's share of eligible students;

"(ii) provides, for each eligible student in the State or Indian tribe, a per-student amount that is at least 75 percent of—

"(I) for the first award year for which grants are made under this section, the average resident public 4-year institutions of higher education tuition and fees per student in all States for the most recent year for which data are available; and

"(II) for each subsequent award year, the amount determined under this subparagraph for the preceding award year, increased by the lesser of—

"(aa) a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) since the date of such determination; or

"(bb) 3 percent.

"(B) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In any case in which not less than 75 percent of the students at the institutions of higher education operated or controlled by an Indian tribe are low-income students, the amount of the Federal share for such Indian tribe shall be not less than 95 percent of the total amount needed to waive tuition and fees for all eligible students enrolled in such institutions of higher education.

"(2) STATE OR TRIBAL SHARE.—

"(A) FORMULA.—

"(i) IN GENERAL.—The State or tribal share of a grant under this section for each fiscal year shall be the amount needed to pay 25 percent of the average resident public 4-year institutions of higher education tuition and fees for eligible students in all States in first award year for which grants are made under this section for all eligible students in the State or Indian tribe, respectively, for such fiscal year, except as provided in clause (ii).

"(ii) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In the case of an Indian tribe described in paragraph (1)(B), the amount of such Indian tribe's tribal share shall not exceed 5 percent of the total amount needed to waive tuition and fees for all eligible students enrolled in the institutions of higher education described in such paragraph.

"(B) NEED-BASED AID.—A State or Indian tribe may include, as part of the State or tribal share, any need-based financial aid that—

"(i) is provided from State or tribal funds to an eligible student; and

"(ii) may be used by such student to pay costs of attendance other than tuition and fees.

"(3) DETERMINING NUMBER OF ELIGIBLE STUDENTS.—

"(A) IN GENERAL.—The Secretary shall develop and implement a process for accurately estimating the number of eligible students in a State or Indian tribe for purposes of paragraphs (1) and (2).

"(B) INITIAL DETERMINATION.—For the first year for which grants are awarded under this section, the number of eligible students in a State or Indian tribe shall be considered to be equal to the number of eligible students that were in the State or tribe for the preceding school year.

"(4) ADJUSTMENT OF GRANT AMOUNT.—Not later than 180 days after the date on which a State or Indian tribe receives a grant under this section, the Secretary shall—

"(A) in consultation with the State or tribe concerned, determine whether the actual number of eligible students in the State or Tribe for the year covered by the grant is greater than the estimated number of such students that was used to determine the amount of the grant; and

"(B) if it is determined under paragraph (1) that the actual number of eligible students in the State or Tribe is higher than such estimate, issue a supplementary grant payment to the State or tribe in an amount that ensures that the total amount of the grant funds received by the State or tribe under this section for the year covered by the grant accurately reflects the higher number of eligible students.

"(c) APPLICATIONS.—In order to receive a grant under this section, a State or tribe shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(d) GENERAL REQUIREMENTS.—As a condition of receiving a grant under this subpart a State or Indian tribe shall meet the following requirements:

"(1) For each year of the grant the total amount of public 4-year institution of higher education resident tuition and fees charged to an eligible student in the State or Indian tribe shall be $0.

"(2) For each year of the grant no amount of financial assistance for which an eligible student qualifies may be applied to such tuition or fees.

"(e) ALLOWABLE USES OF FUNDS.—

"(1) IN GENERAL.—A State or Indian tribe shall use a grant under this section only to provide funds to participating public 4-year institutions to enable such public 4-year institutions to waive resident tuition and fees for eligible students as required under subsection (d).

"(2) ANNUAL REPORT.—A State or Indian tribe receiving a grant under this section shall submit an annual report to the Secretary describing the uses of grant funds under this section, the progress made in fulfilling the requirements of the grant, and rates of transfer, graduation, and attainment of recognized postsecondary credentials at institutions of higher education in the State or Indian tribe, including such rates disaggregated by race, income, and age, and including any other information as the Secretary may require.

"(3) REPORTING BY THE SECRETARY.—The Secretary annually shall—

"(A) compile and analyze the information described in paragraph (2); and

"(B) prepare and submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives containing the analysis described in subparagraph (A) and an identification of State and Indian tribe best practices for achieving the purpose of this section.

"(4) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to eligible States and Indian tribes concerning best practices regarding the promising and evidence-based institutional reforms and innovative practices to improve student outcomes and shall disseminate such best practices among the States and Indian tribes.

"(5) CONTINUATION OF FUNDING.—

"(A) IN GENERAL.—A State or Indian tribe receiving a grant under this section for a fiscal year may continue to receive funding under this section for future fiscal years conditioned on the availability of budget authority and on meeting the requirements of the grant, as determined by the Secretary.

"(B) DISCONTINUATION.—The Secretary may discontinue funding of the Federal share of a grant under this section if the State or Indian tribe has violated the terms of the grant.

"(6) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

"(f) DEFINITIONS.—In this section:

"(1) ELIGIBLE STUDENT.—

"(A) DEFINITION.—The term 'eligible student' means a student who—

"(i) attends a public institution of higher education on not less than a half-time basis;

"(ii) is maintaining satisfactory progress (as defined in section 484(c)) in the student's course of study;

"(iii) is enrolled in an eligible program (as defined in section 481(b)); and

"(iv) either—

"(I) qualifies for in-State resident institution of higher education tuition, as determined by the State or Indian tribe; or

"(II) would qualify for such in-State tuition, but for the immigration status of such student.

"(B) SPECIAL RULE.—An otherwise eligible student shall lose eligibility under this section after 6 years of receiving benefits under this section.

"(2) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

"(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101.

"(4) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term 'recognized postsecondary credential' has the meaning as described in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

"(5) STATE.—The term 'State' has the meaning given the term in section 103.

"(g) APPROPRIATIONS.—

"(1) AUTHORIZATION AND APPROPRIATIONS.—For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2021 and each succeeding fiscal year.

"(2) AVAILABILITY.—Funds appropriated under paragraph (1) shall remain available to the Secretary until expended.

"(3) INSUFFICIENT FUNDS.—If the amount appropriated under paragraph (1) for a fiscal year is not sufficient to award each participating State and Indian tribe a grant under this section that is equal to the minimum amount of the Federal share described in subsection (b), the Secretary may ratably reduce the amount of each such grant or take other actions necessary to ensure an equitable distribution of such amount.

"(4) TRANSFER AVAILABILITY.—The Secretary is authorized, subject to the availability of appropriations, to transfer amounts authorized to be appropriated to carry out subpart 1, to carry out 499T, and to carry out 499U for a fiscal year to make grants under this section if—

"(A) all grants eligible to be made under such subpart have been made for such fiscal year;

"(B) all grants eligible to be made under 499T have been made for such year; and

"(C) all grants eligible to be made under 499U have been made for such fiscal year.".

SEC. 4807. EXPANSION FOR PRIVATE INSTITUTIONS.

Subpart 4 of part J of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), as added and amended by this part, is further amended by adding at the end the following:

"SEC. 499W. EXPANSION FOR PRIVATE INSTITUTIONS.

"(a) AUTHORITY.—The Secretary may establish a program under which—

"(1) a State that participates in section 499T may elect to carry out the grant programs under such section to students who—

"(A) meet the requirements under clauses (ii) through (iv) of subparagraph (A) and subparagraph (B) of subsection (e)(3) of such section; and

"(B) attend a nonprofit private institution of higher education in such State on not less than a half time basis; and

"(2) a State that participates in section 499U may elect to carry out the grant programs under such section to students who—

"(A) meet the requirements under clauses (ii) through (iv) of subparagraph (A) and subparagraph (B) of subsection (e)(1) of such section; and

"(B) attend a nonprofit private institution of higher education in such State on not less than a half time basis.

"(b) PROGRAM REQUIREMENTS.—The Secretary shall set eligibility standards for nonprofit private institutions of higher education which shall, at a minimum, include—

"(1) benchmarks for the enrollment of low-income students;

"(2) a requirement that any nonprofit private institution of higher education that participates in a grant program pursuant to this section may not reduce the funding for institutional need-based aid; or

"(3) a requirement that grant amounts for students at such institutions of higher education shall not exceed grants for students with similar levels of financial need (as measured by expected family contribution) at public institutions of higher education.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2021 and each succeeding fiscal year.".

TITLE V—DEVELOPING INSTITUTIONS

SEC. 5001. HISPANIC-SERVING INSTITUTIONS.

(a) AUTHORIZED ACTIVITIES.—Section 503(b) of the Higher Education Act of 1965 (20 U.S.C. 1101b(b)) is amended—

(1) by redesignating paragraph (16) as paragraph (17); and

(2) by inserting after paragraph (15) the following:

"(16) Promoting opportunities for international education, including through the development of partnerships with institutions of higher education outside the United States.".

(b) ENDOWMENT FUNDING LIMITATIONS.—Section 503(c) of the Higher Education Act of 1965 (20 U.S.C. 1101b(c)) is amended—

(1) in paragraph (2)—

(A) by striking "non-Federal funds" and inserting "non-Federal funds (which may include gifts to the endowment fund restricted for a specific purpose)"; and

(B) by striking "equal to or greater than" and inserting "equal to 50 percent of"; and

(2) by inserting after paragraph (3) the following:

"(4) SCHOLARSHIPS.—An eligible institution that uses grant funds provided under this title to establish or increase an endowment fund may use the interest proceeds from such endowment to provide scholarships to students for the purposes of attending such institution.".

SEC. 5002. PROMOTING POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS.

(a) PROGRAM AUTHORITY.—Section 512 of the Higher Education Act of 1965 (20 U.S.C. 1102a) is amended by adding at the end the following:

"(c) MINIMUM GRANTS AWARDED.—Of the funds appropriated to carry out this part for a fiscal year, the Secretary—

"(1) shall—

"(A) use not less than one-third of such funds to award grants to carry out the activities described in section 513(b); and

"(B) use not less than one-third of such funds to award grants to carry out the activities described in section 513(c); and

"(2) may use any funds remaining (after using the funds in accordance with paragraph (1)) to award grants to carry out activities described in subsection (b) or (c) of section 513.".

(b) AUTHORIZED ACTIVITIES.—Section 513 of the Higher Education Act of 1965 (20 U.S.C. 1102b) is amended to read as follows:

"SEC. 513. AUTHORIZED ACTIVITIES.

"(a) REQUIREMENTS.—

"(1) IN GENERAL.—Grants awarded under this part shall be used for—

"(A) one or more of the activities described in subsection (b); or

"(B) one or more of the activities described in subsection (c).

"(2) PROHIBITION.—A grant awarded under this part may not be used for activities under both subsections (b) and (c).

"(b) PROMOTING POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS ACTIVITIES.—Grants awarded under this part may be used for one or more of the following activities promoting postbaccalaureate opportunities for Hispanic Americans:

"(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

"(2) Construction, maintenance, renovation, and improvement of classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

"(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

"(4) Support for low-income postbaccalaureate students including outreach, academic support services, mentoring, scholarships, fellowships, and other financial assistance to permit the enrollment of such students in postbaccalaureate certificate and postbaccalaureate degree granting programs.

"(5) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

"(6) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and postbaccalaureate degree offerings.

"(7) Other activities proposed in the application submitted pursuant to section 514 that—

"(A) contribute to carrying out the purposes of this part; and

"(B) are approved by the Secretary as part of the review and acceptance of such application.

"(c) FACULTY DEVELOPMENT ACTIVITIES.—Grants awarded under this part may be used for one or more of the following activities for faculty development:

"(1) Support of faculty exchanges, faculty development, faculty research, curriculum development, and academic instruction.

"(2) Financial support to graduate students planning to pursue academic careers who desire to become faculty at Hispanic-serving institutions.

"(3) Career services in preparing for an academic career and identifying opportunities.

"(4) Developing partnerships between Hispanic-serving institutions to help graduate students and hiring institutions connect with each other.

"(5) Faculty recruitment efforts with an emphasis on graduates from Hispanic-serving institutions and other minority-serving institutions.

"(6) Recruitment and retention incentives to allow Hispanic-serving institutions to make competitive offers to potential faculty, including use of funds for student loan repayment.

"(7) Research support specifically for early career faculty.".

SEC. 5003. GENERAL PROVISIONS.

Section 528(a) of the Higher Education Act of 1965 (20 U.S.C. 1103g(a)) is amended—

(1) in paragraph (1), by striking "$175,000,000" and inserting "$350,000,000";

(2) in paragraph (2), by striking "$100,000,000" and inserting "$115,000,000";

(3) by striking "2009" each place it appears and inserting "2021"; and

(4) by adding at the end the following:

"(3) RESERVATION FOR TECHNICAL ASSISTANCE.—From the amounts appropriated under paragraph (1) to carry out part A for a fiscal year, the Secretary shall reserve 0.75 percent to carry out technical assistance and administrative training for staff and faculty at Hispanic-serving institutions under such part.".

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

SEC. 6001. INTERNATIONAL EDUCATION.

(a) GRADUATE AND UNDERGRADUATE LANGUAGE AND AREA CENTERS AND PROGRAMS.—Section 602(b)(2)(B)(ii) of the Higher Education Act of 1965 (20 U.S.C. 1122(b)(2)(B)(ii)) is amended—

(1) in subclause (III), by striking "or";

(2) in subclause (IV), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(V) the beginning, intermediate, or advanced study of a foreign language related to the area of specialization.".

(b) INTERNATIONAL RESEARCH AND INNOVATION.—Section 605 of the Higher Education Act of 1965 (20 U.S.C. 1125) is amended to read as follows:

"SEC. 605. INTERNATIONAL RESEARCH AND INNOVATION.

"(a) PURPOSE.—It is the purpose of this section to support essential international and foreign language education research and innovation projects with the goal of assessing and strengthening international education capacity, coordination, delivery, and outcomes to meet national needs.

"(b) AUTHORITY.—

"(1) IN GENERAL.—From the amount provided to carry out this section, the Secretary shall carry out the following activities:

"(A) Conduct research and studies that contribute to the purpose described in subsection (a), which shall include research to provide a systematic understanding of the United States' international and foreign language education capacity, structures, and effectiveness in meeting growing demands by education, government, and the private sector (including business and other professions).

"(B) Create innovative paradigms or enhance or scale up proven strategies and practices that address systemic challenges to developing and delivering international and foreign language education resources and expertise

across educational disciplines, institutions, employers, and other stakeholders.

"(C) Develop and manage a national standardized database that—

"(i) includes the strengths, gaps, and trends in the United States' international and foreign language education capacity; and

"(ii) documents the outcomes of programs funded under this title for every grant cycle.

"(2) GRANTS OR CONTRACTS.—The Secretary shall carry out activities to achieve the outcomes described in paragraph (1)—

"(A) directly; or

"(B) through grants awarded under subsection (d) or (e).

"(c) ELIGIBLE ENTITY DEFINED.—In this section, the term 'eligible entity' means—

"(1) an institution of higher education;

"(2) a public or private nonprofit library;

"(3) a nonprofit educational organization;

"(4) an entity that—

"(A) received a grant under this title for a preceding fiscal year; or

"(B) is receiving a grant under this title as of the date of application for a grant under this section; or

"(5) a partnership of two or more entities described in paragraphs (1) through (4).

"(d) RESEARCH GRANTS.—

"(1) PROGRAM AUTHORIZED.—For any fiscal year for which the Secretary carries out activities under subsection (b)(1) through research grants under this subsection, the Secretary shall award such grants, on a competitive basis, to eligible entities.

"(2) REQUIRED ACTIVITIES.—An eligible entity that receives a grant under this subsection shall use the grant funds for the systematic development, collection, analysis, publication, and dissemination of data, and other information resources in a manner that is easily understandable, made publicly available, and that contributes to achieving the purposes of subsection (a) and carries out at least one activity under subsection (b)(1).

"(3) DISCRETIONARY ACTIVITIES.—An eligible entity that receives a grant under this subsection may use the grant to carry out the following activities:

"(A) Assess and document international and foreign language education capacity and supply through studies or surveys that—

"(i) determine the number of foreign language courses, programs, and enrollments at all levels of education and in all languages, including a determination of gaps in those deemed critical to the national interest;

"(ii) measure the number and types of degrees or certificates awarded in area studies, global studies, foreign language studies, and international business and professional studies, including identification of gaps in those deemed critical to the national interest;

"(iii) measure the number of foreign language, area or international studies faculty, including international business faculty, and elementary school and secondary school foreign language teachers by language, degree, and world area; or

"(iv) measure the number of undergraduate and graduate students engaging in long- or short-term education or internship abroad programs as part of their curriculum, including countries of destination.

"(B) Assess the demands for, and outcomes of, international and foreign language education and their alignment, through studies, surveys, and conferences to—

"(i) determine demands for increased or improved instruction in foreign language, area or global studies, or other international fields, and the demand for employees with such skills and knowledge in the education, government, and private sectors (including business and other professions);

"(ii) assess the employment or utilization of graduates of programs supported under this title by educational, governmental, and private sector organizations (including business and other professions); or

"(iii) assess standardized outcomes and effectiveness and benchmarking of programs supported under this title.

"(C) Develop and publish specialized materials for use in foreign language, area, global, or other international studies, including in international business or other professional education or technical training, as appropriate.

"(D) Conduct studies or surveys that identify and document systemic challenges and changes needed in higher education and elementary school

and secondary school systems to make international and foreign language education available to all students as part of the basic curriculum, including challenges in current evaluation standards, entrance and graduation requirements, program accreditation, student degree requirements, or teacher and faculty legal workplace barriers to education and research abroad.

"(E) With respect to underrepresented institutions of higher education (including minority-serving institutions or community colleges), carry out studies or surveys that identify and document—

"(i) current systemic challenges and changes incentives, and partnerships needed to comprehensively and sustainably internationalize educational programming; or

"(ii) short- and long-term outcomes of successful internationalization strategies and funding models.

"(F) Evaluate the extent to which programs assisted under this title—

"(i) reflect diverse perspectives and a wide range of views; and

"(ii) generate debate on world regions and international affairs

"(e) INNOVATION GRANTS.—

"(1) PROGRAM AUTHORIZED.—For any fiscal year for which the Secretary carries out activities to achieve the outcomes described in subsection (b)(1) through innovation grants under this subsection, the Secretary shall award such grants, on a competitive basis, to eligible entities.

"(2) USES OF FUNDS.—An eligible entity that receives an innovation grant under this subsection shall use the grant funds to fund projects consistent with this section, which may include one or more of the following:

"(A) Innovative paradigms to improve communication, sharing, and delivery of resources that further the purposes described in subsection (a) including the following:

"(i) Networking structures and systems to more effectively match graduates possessing international and foreign language education skills with employment needs.

"(ii) Sharing international specialist expertise across institutions of higher education or in the workforce to pursue specialization or learning opportunities not available at any single institution of higher education, such as shared courses for studying less commonly taught languages, world areas or regions, international business or other professional areas, or specialized research topics of national strategic interest.

"(iii) Producing, collecting, organizing, preserving, and widely disseminating international and foreign language education expertise, resources, courses, and other information through the use of electronic technologies and other techniques.

"(iv) Collaborative initiatives to identify, capture, and provide consistent access to, and creation of, digital global library resources that are beyond the capacity of any single eligible entity receiving a grant under this section or any single institution of higher education, including the professional development of library staff.

"(v) Utilization of technology to create open-source resources in international, area, global, and foreign language studies that are adaptable to multiple educational settings and promote interdisciplinary partnerships between technologists, curriculum designers, international and foreign language education experts, language teachers, and librarians.

"(B) Innovative curriculum, teaching, and learning strategies, including the following:

"(i) New initiatives for collaborations of disciplinary programs with foreign language, area, global, and international studies, and education abroad programs that address the internationalization of such disciplinary studies with the purpose of producing globally competent graduates.

"(ii) Innovative collaborations between established centers of international and foreign language education excellence and underrepresented institutions and populations seeking to further their goals for strengthening international, area, global, and foreign language studies, including at minority-serving institutions or community colleges.

"(iii) Teaching and learning collaborations among foreign language, area, global, or other international studies with diaspora communities, including heritage students.

"(iv) New approaches and methods to teaching emerging global issues, cross-regional interactions, and underrepresented regions or countries, such as project- and team-based learning.

"(C) Innovative assessment and outcome tools and techniques that further the purposes described in subsection (a), including the following:

"(i) International and foreign language education assessment techniques that are coupled with outcome-focused training modules, such as certificates or badges, immersion learning, or e-portfolio systems.

"(ii) Effective and easily accessible methods of assessing professionally useful levels of proficiency in foreign languages or competencies in area, culture, and global knowledge or other international fields in programs under this title, which may include use of open access online and other cost-effective tools for students and educators at all educational levels and in the workplace.

"(f) APPLICATION.—Each eligible entity desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary shall require, including—

"(1) a description of each proposed project the eligible entity plans to carry out under this section and how such project meets the purposes described in subsection (a);

"(2) if applicable, a demonstration of why the entity needs a waiver or reduction of the matching requirement under subsection (g); and

"(3) an assurance that each such proposed project will be self-sustainable after the grant term is completed.

"(g) MATCHING REQUIREMENT.—

"(1) IN GENERAL.—The Federal share of the total cost for carrying out a project supported by a grant under this section shall be no more than 66.66 percent of the cost of the project.

"(2) NON-FEDERAL SHARE CONTRIBUTIONS.—The non-Federal share of such cost may be provided either in-kind or in cash, from institutional and non-institutional funds, including contributions from State or private sector corporations, nonprofits, or foundations.

"(3) SPECIAL RULE.—The Secretary may waive or reduce the share required under paragraph (1) for eligible entities that—

"(A) are minority-serving institutions or are community colleges; or

"(B) demonstrate need in an application for such a waiver or reduction under subsection (f)(2).

"(h) DATABASE AND REPORTING.—The Secretary shall directly, or through grants or contracts with an eligible grant recipient—

"(1) establish, curate, maintain, and update at least every grant cycle, a publically available website which shall showcase the results of this section and serve as a user-friendly repository of the information, resources, and best practices generated through activities conducted under this section; and

"(2) prepare, publish, and disseminate to Congress and the public at least once every 5 years, a report that summarizes key findings and policy issues from the activities conducted under this section, including as such activities relate to international and foreign language education and outcomes.".

(c) DISCONTINUATION OF FOREIGN INFORMATION ACCESS PROGRAM.—Part A of title VI of the Higher Education Act of 1965 (20 U.S.C. 1121 et seq.) is further amended by striking sections 606 and 610, and redesignating sections 607, 608, and 609 as sections 606, 607, and 608, respectively.

SEC. 6002. GLOBAL BUSINESS AND PROFESSIONAL EDUCATION PROGRAMS.

(a) FINDINGS; PURPOSE.—Section 611 of the Higher Education Act of 1965 (20 U.S.C. 1130) is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

"(1) the future welfare of the United States will depend substantially on increasing international and global skills in business, educational, and other professional communities and creating an awareness among the American public of the internationalization of our economy and numerous other professional areas important to the national interest;";

(B) by amending paragraph (2) to read as follows:

"(2) concerted efforts are necessary to engage business and other professional education and technical training programs, language, area, and global study programs, professional international affairs education programs, public and private sector organizations, and United States' business community in a mutually productive relationship which benefits the Nation's future economic and security interests;";

(C) in paragraph (3), by striking "and the international" and inserting "and other professional fields and the international and global"; and

(D) in paragraph (4)—

(i) by inserting ", as well as other professional organizations" after "departments of commerce"; and

(ii) by inserting "or other professions" after "business"; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "and economic enterprise" and inserting ", economic enterprise, and security"; and

(ii) by inserting "and other professional" before "personnel"; and

(B) in paragraph (2), by striking "to prosper in an international" and inserting "and other professional fields to prosper in a global".

(b) PROFESSIONAL AND TECHNICAL EDUCATION FOR GLOBAL COMPETITIVENESS.—Section 613 of the Higher Education Act of 1965 (20 U.S.C. 1130a) is amended to read as follows:

"SEC. 613. PROFESSIONAL AND TECHNICAL EDUCATION FOR GLOBAL COMPETITIVENESS.

"(a) PURPOSE.—The purpose of this section is to support innovative strategies that provide undergraduate and graduate students with the global professional competencies, perspectives, and skills needed to strengthen and enrich global engagement and competitiveness in a wide variety of professional and technical fields important to the national interest.

"(b) PROGRAM AUTHORIZED.—The Secretary shall make grants to, or enter into contracts with eligible entities to pay the Federal share of the cost of programs designed to—

"(1) establish an interdisciplinary global focus in the undergraduate and graduate curricula of business, science, technology, engineering, and other professional education and technical training programs to be determined by the Secretary based on national needs;

"(2) produce graduates with proficiencies in both the global aspects of their professional education or technical training fields and international, cross-cultural, and foreign language skills; and

"(3) provide appropriate services to or partnerships with the corporate, government, and nonprofit communities in order to expand knowledge and capacity for global engagement and competitiveness and provide internship or employment opportunities for students and graduates with international skills.

"(c) MANDATORY ACTIVITIES.—An eligible entity that receives a grant under this section shall use the grant to carry out the following:

"(1) With respect to undergraduate or graduate professional education and technical training curricula, incorporating—

"(A) foreign language programs that lead to proficiency, including immersion opportunities;

"(B) international, area, or global studies programs;

"(C) education, internships, or other innovative or technological linkages abroad; and

"(D) global business, economic, and trade studies, where appropriate.

"(2) Innovating and improving international, global, and foreign language education curricula to serve the needs of business and other professional and nonprofit communities, including development of new programs for nontraditional, mid-career, or part-time students.

"(3) Establishing education or internship abroad programs, domestic globally focused internships, or other innovative approaches to enable undergraduate or graduate students in professional education or technical training to develop foreign language skills and knowledge of foreign cultures, societies, and global dimensions of their professional fields.

"(4) Developing collaborations between institutions of higher education and corporations or nonprofit organizations in order to strengthen engagement and competitiveness in global business, trade, or other global professional activities.

"(d) DISCRETIONARY ACTIVITIES.—An eligible entity that receives a grant under this section may use the grant to carry out the following:

"(1) Developing specialized teaching materials and courses, including foreign language and area or global studies materials, and innovative technological delivery systems appropriate for professionally oriented students.

"(2) Establishing student fellowships or other innovative support opportunities, including for underrepresented populations, first generation college students (defined in section 402A(h)), and heritage learners, for education and training in global professional development activities.

"(3) Developing opportunities or fellowships for faculty or junior faculty of professional education or technical training (including the faculty of minority-serving institutions or community colleges) to acquire or strengthen international and global skills and perspectives.

"(4) Creating institutes that take place over academic breaks, like the summer, including through technological means, and cover foreign language, world area, global, or other international studies in learning areas of global business, science, technology, engineering, or other professional education and training fields.

"(5) Internationalizing curricula at minority-serving institutions or community colleges to further the purposes of this section.

"(6) Establishing international linkages or partnerships with institutions of higher education, corporations, or organizations that contribute to the objectives of this section.

"(7) Developing programs to inform the public of increasing global interdependence in professional education and technical training fields.

"(8) Establishing trade education programs through agreements with regional, national, global, bilateral, or multilateral trade centers, councils, or associations.

"(e) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and including such information as the Secretary may reasonably require, including assurances that—

"(1) each proposed project will be self-sustainable after the grant term is completed;

"(2) the institution of higher education will use the assistance provided under this section to supplement and not supplant activities described in subsection (c) or (d) that are conducted by the institution of higher education;

"(3) in the case of eligible entities that are consortia of institutions of higher education, or partnership described in subsection (g)(1)(C), a copy of their partnership agreement that demonstrates compliance with subsection (c) will be provided to the Secretary;

"(4) the activities funded by the grant will reflect diverse perspectives and a wide range of views of world regions and international affairs where applicable; and

"(5) if applicable, a demonstration of why the eligible entity needs a waiver or reduction of the matching requirement under subsection (f).

"(f) MATCHING REQUIREMENT.—

"(1) IN GENERAL.—The Federal share of the total cost for carrying out a program supported by a grant under this section shall be not more than 50 percent of the total cost of the project.

"(2) NON-FEDERAL SHARE CONTRIBUTIONS.—The non-Federal share of such cost may be provided either in-kind or in cash, from institutional and non-institutional funds, including contributions from State and private sector corporations, nonprofits, or foundations.

"(3) SPECIAL RULE.—The Secretary may waive or reduce the share required under paragraph (1) for eligible entities that—

"(A) are minority-serving institutions or are community colleges; or

"(B) have submitted a grant application as required by subsection (e) that demonstrates a need for such a waiver or reduction.

"(g) DEFINITIONS.—In this section:

"(1) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) an institution of higher education;

"(B) a consortia of such institutions; or

"(C) a partnership between—

"(i) an institution of higher education or a consortia of such institutions; and

"(ii) at least one corporate or nonprofit entity.

"(2) PROFESSIONAL EDUCATION AND TECHNICAL TRAINING.—The term 'professional education and technical training' means a program at an institution of higher education that offers undergraduate, graduate, or postgraduate level education in a professional or technical field that is determined by the Secretary as meeting a national need for global or international competency (which may include business, science, technology, engineering, law, health, energy, environment, agriculture, transportation, or education).

"(h) FUNDING RULE.—Notwithstanding any other provision of this title, funds made available to the Secretary for a fiscal year may not be obligated or expended to carry out this section unless the funds appropriated for such fiscal year to carry out this title exceeds $65,103,000.".

(c) DISCONTINUATION OF CERTAIN AUTHORIZATIONS OF APPROPRIATIONS.—Part B of the Higher Education Act of 1965 (20 U.S.C. 1130 et seq.) is further amended by striking section 614.

SEC. 6003. REPEAL OF ASSISTANCE PROGRAM FOR INSTITUTE FOR INTERNATIONAL PUBLIC POLICY.

Part C of title VI of the Higher Education Act of 1965 (20 U.S.C. 1131 et seq.) is repealed.

SEC. 6004. GENERAL PROVISIONS.

(a) DEFINITIONS.—Section 631(a) of the Higher Education Act of 1965 (20 U.S.C. 1132(a)) is amended—

(1) in paragraph (9), by striking "and" at the end;

(2) in paragraph (10), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(11) the term 'community college' has the meaning given the term 'junior or community college' in section 312(f);

"(12) the term 'heritage student' means a postsecondary student who—

"(A) was born in the United States to immigrant parents or immigrated to the United States at an early age;

"(B) is proficient in English, but raised in a family primarily speaking 1 or more languages of the country of origin; and

"(C) maintains a close affinity with the family's culture and language of origin; and

"(13) the term 'minority-serving institution' means an institution of higher education that is eligible to receive a grant under part A or B of title III or title V.".

(b) MINORITY-SERVING INSTITUTIONS.—Part D of title VI of the Higher Education Act of 1965 (20 U.S.C. 1132 et seq.) is amended—

(1) by striking section 637;

(2) by redesignating section 638 as section 637; and

(3) by inserting after section 637, as so redesignated, the following:

"SEC. 638. PRIORITY TO MINORITY-SERVING INSTITUTIONS.

"(a) PRIORITY.—In seeking applications and awarding grants under this title, the Secretary, may give priority to—

"(1) minority-serving institutions; or

"(2) institutions of higher education that apply for such grants that propose significant and sustained collaborative activities with one or more minority-serving institutions.

"(b) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to minority-serving institutions to ensure maximum distribution of grants to eligible minority-serving institutions and among each category of such institutions.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Part D of title VI of the Higher Education Act of 1965 (20 U.S.C. 1132 et seq.) is further amended by adding at the end the following new section:

"SEC. 639. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated to carry out this title $125,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

"(b) ADJUSTMENT FOR INFLATION.—

"(1) IN GENERAL.—The amount authorized to be appropriated under subsection (a) for fiscal year 2022 and each of the 4 succeeding fiscal years shall be deemed increased by a percentage equal to the annual adjustment percentage.

"(2) DEFINITION.—In this subsection, the term 'annual adjustment percentage' as applied to a fiscal year, means the estimated percentage change in the Consumer Price Index (as determined by the Secretary, using the definition in section 478(f)) for the most recent calendar year ending prior to the beginning of that fiscal year.".

TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

SEC. 7001. GRADUATE ASSISTANCE IN AREAS OF NATIONAL NEED.

Section 716 of the Higher Education Act of 1965 (20 U.S.C. 1135e) is amended by striking "2009" and inserting "2021".

SEC. 7002. GRADUATE EDUCATION PROGRAMS.

(a) HBCU.—Section 723 of the Higher Education Act of 1965 (20 U.S.C. 1136a) is amended—

(1) in subsection (b)(1), by adding at the end the following:

"(S) Each institution not listed under subparagraphs (A) through (R) that is eligible to receive funds under part B of title III and that offers a qualified masters degree program.";

(2) in subsection (e), by striking "or 724" and inserting "or 724, or subpart 5 or 6 of this part"; and

(3) in subsection (f)(3)—

(A) by striking "any amount in excess of $9,000,000" and inserting "after the application of paragraph (2), the remaining amount"; and

(B) by striking "(R)" and inserting "(S)".

(b) PREDOMINANTLY BLACK INSTITUTIONS.—Section 724 of the Higher Education Act of 1965 (20 U.S.C. 1136b) is amended—

(1) in subsection (b)(1), by adding at the end the following:

"(F) Each institution not listed in subparagraph (A) through (E) that is eligible to receive funds under section 318 and that offers a qualified masters degree program.";

(2) in subsection (e), by striking "or 723" and inserting "or 723, or subpart 5 or 6"; and

(3) in subsection (f)(3), in the matter preceding subparagraph (A)—

(A) by striking "any amount in excess of $2,500,000" and inserting "after the application of paragraph (2), any remaining amount"; and

(B) by striking "(E)" and inserting "(F)".

(c) ENHANCING SUPPORT FOR ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTIONS AND TRIBAL COLLEGES AND UNIVERSITIES.—Part A of title VII of the Higher Education Act of 1965 (20 U.S.C. 1134 et seq.) is amended—

(1) in section 731—

(A) by striking "1 through 4" each place it appears (including in the section heading) and inserting "1 through 6"; and

(B) by striking "subpart 1, 2, 3, or 4" and inserting "subparts 1 through 6";

(2) by redesignating subpart 5 as subpart 7;

(3) by redesignating section 731 as section 735; and

(4) by inserting after subpart 4 the following:

"Subpart 5—Graduate Opportunities at Asian American and Native American Pacific Islander Serving Institutions

"SEC. 726. GRANT PROGRAM ESTABLISHED.

"(a) IN GENERAL.—Subject to the availability of funds appropriated to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible institutions to enable the eligible institutions to carry out the activities described in section 727.

"(b) AWARD OF GRANT FUNDS.—Of the funds appropriated to carry out this subpart for a fiscal year, the Secretary—

"(1) shall reserve—

"(A) not less than one-third of such funds to award grants to carry out the activities described in section 727(b); and

"(B) not less than one-third of such funds to award grants to carry out the activities described in section 727(c); and

"(2) may use the amount of funds remaining after the reservation required under paragraph (1) to award grants to carry out the activities described in subsections (b) and (c) of section 727.

"(c) DURATION.—Grants under this subpart shall be awarded for a period not to exceed five years.

"(d) LIMITATION ON NUMBER OF AWARDS.—The Secretary may not award more than one grant under this subpart in any fiscal year to any Asian American and Native American Pacific Islander-serving institutions.

"(e) APPLICATION.—Any eligible institution may apply for a grant under this subpart by submitting an application to the Secretary at such time and in such manner as the Secretary may require. Such application shall demonstrate how the grant funds will be used to improve postbaccalaureate education opportunities for Asian American and Native American Pacific Islander and low-income students.

"(f) INTERACTION WITH OTHER GRANT PROGRAMS.—No institution that is eligible for and receives an award under section 326, 512, 723, or 724, or subpart 6 of this part for a fiscal year shall be eligible to apply for a grant, or receive grant funds, under this subpart for the same fiscal year.

"(g) ELIGIBLE INSTITUTION DEFINED.—For the purposes of this subpart, an 'eligible institution' means an institution of higher education that—

"(1) is an Asian-American and Native American Pacific Islander-serving institution (as defined in section 320); and

"(2) offers a postbaccalaureate certificate or postbaccalaureate degree granting program.

"SEC. 727. USE OF FUNDS.

"(a) IN GENERAL.—

"(1) ACTIVITIES.—An eligible institution that receives a grant under this subpart shall use such funds to carry out—

"(A) one or more of the activities described in subsection (b); or

"(B) one or more of the activities described in subsection (c).

"(2) REQUIREMENT.—An eligible institution that receives a grant under this subpart may not use such funds for activities under both subsections (b) and (c).

"(b) GRADUATE PROGRAM ACTIVITIES.—Grants awarded under this subpart may be used for one or more of the following activities promoting postbaccaulaureate opportunities for Asian American and Native American Pacific Islander students:

"(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

"(2) Construction, maintenance, renovation, and improvement of classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

"(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

"(4) Support for low-income postbaccalaureate students including outreach, academic support services and mentoring, scholarships, fellowships, and other financial assistance to permit the enrollment of such students in postbaccalaureate certificate and postbaccalaureate degree granting programs.

"(5) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

"(6) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and postbaccalaureate degree offerings.

"(7) Other activities proposed in the application submitted pursuant to section 726 that—

"(A) contribute to carrying out the purposes of this subpart; and

"(B) are approved by the Secretary as part of the review and acceptance of such application.

"(c) FACULTY DEVELOPMENT ACTIVITIES.—Grants awarded under this subpart may be used for one or more of the following activities for faculty development:

"(1) Support of faculty exchanges, faculty development, faculty research, curriculum development, and academic instruction.

"(2) Financial support to graduate students planning to pursue academic careers who desire to become faculty at Asian American and Native American Pacific Islander-serving institutions.

"(3) Career services in preparing for an academic career and identifying opportunities.

"(4) Developing partnerships between Asian American and Native American Pacific Islander-serving institutions to facilitate connections between graduate students and hiring institutions.

"(5) Faculty recruitment efforts with an emphasis on graduates from Asian American and Native American Pacific Islander-serving institutions and other minority-serving institutions.

"(6) Recruitment and retention incentives to allow Asian American and Native American Pacific Islander-serving institutions to make competitive offers to potential faculty, including use of funds for student loan repayment.

"(7) Research support for early career faculty.

"(8) Other activities proposed in the application submitted pursuant to section 726 that—

"(A) contribute to carrying out the purposes of this subpart; and

"(B) are approved by the Secretary as part of the review and acceptance of such application.

"SEC. 728. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this subpart $30,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

"Subpart 6—Graduate Opportunities at Tribal Colleges and Universities

"SEC. 729. GRANT PROGRAM ESTABLISHED.

"(a) IN GENERAL.—Subject to the availability of funds appropriated to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible institutions to enable the eligible institutions to carry out the activities described in section 730.

"(b) AWARD OF GRANT FUNDS.—Of the funds appropriated to carry out this subpart for a fiscal year, the Secretary—

"(1) shall reserve—

"(A) not less than one-third of such funds to award grants to carry out the activities described in section 730(b); and

"(B) not less than one-third of such funds to award grants to carry out the activities described in section 730(c); and

"(2) may use the amount of funds remaining after the reservation required under paragraph (1) to award grants to carry out the activities described in subsections (b) and (c) of section 730.

"(c) DURATION.—Grants under this part shall be awarded for a period not to exceed five years.

"(d) LIMITATION ON NUMBER OF AWARDS.—The Secretary may not award more than one grant under this subpart in any fiscal year to any Tribal College and University.

"(e) APPLICATION.—Any eligible institution may apply for a grant under this subpart by submitting an application to the Secretary at such time and in such manner as the Secretary may require. Such application shall demonstrate how the grant funds will be used to improve postbaccalaureate education opportunities for American Indian and Alaska Native students.

"(f) INTERACTION WITH OTHER GRANT PROGRAMS.—No institution that is eligible for and receives an award under section 326, 512, 723, or 724, or subpart 5 of this part for a fiscal year shall be eligible to apply for a grant, or receive grant funds, under this section for the same fiscal year.

"(g) ELIGIBLE INSTITUTION DEFINED.—For the purposes of this subpart, an 'eligible institution' means an institution of higher education that—

"(1) is a Tribal College or University (as defined in section 316); and

"(2) offers a postbaccalaureate certificate or postbaccalaureate degree granting program.

"SEC. 730. USE OF FUNDS.

"(a) IN GENERAL.—

"(1) ACTIVITIES.—An eligible institution that receives a grant under this subpart shall use such funds to carry out—

"(A) one or more of the activities described in subsection (b); or

"(B) one or more of the activities described in subsection (c).

"(2) REQUIREMENT.—An eligible institution that receives a grant under this subpart may not use such funds for activities under both subsections (b) and (c).

"(b) GRADUATE PROGRAM ACTIVITIES.—Grants awarded under this subpart may be used for one or more of the following activities promoting postbaccalaureate opportunities for American Indian and Alaska Native students:

"(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

"(2) Construction, maintenance, renovation, and improvement of classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

"(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

"(4) Support for American Indian and Alaska Native postbaccalaureate students including outreach, academic support services and mentoring, scholarships, fellowships, and other financial assistance to permit the enrollment of such students in postbaccalaureate certificate and postbaccalaureate degree granting programs.

"(5) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

"(6) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and postbaccalaureate degree offerings.

"(7) Other activities proposed in the application submitted pursuant to section 729 that—

"(A) contribute to carrying out the purposes of this subpart; and

"(B) are approved by the Secretary as part of the review and acceptance of such application.

"(c) FACULTY DEVELOPMENT ACTIVITIES.—Grants awarded under this subpart may be used for one or more of the following activities for faculty development:

"(1) Support of faculty exchanges, faculty development, faculty research, curriculum development, and academic instruction.

"(2) Financial support to graduate students planning to pursue academic careers who desire to become faculty at Tribal Colleges and Universities.

"(3) Career services in preparing for an academic career and identifying opportunities.

"(4) Developing partnerships between Tribal Colleges and Universities to facilitate connections between graduate students and hiring institutions.

"(5) Faculty recruitment efforts with an emphasis on graduates from Tribal Colleges and Universities and other minority-serving institutions.

"(6) Recruitment and retention incentives to allow Tribal Colleges and Universities to make competitive offers to potential faculty, including use of funds for student loan repayment.

"(7) Research support for early career faculty.

"(8) Other activities proposed in the application submitted pursuant to section 729 that—

"(A) contribute to carrying out the purposes of this subpart; and

"(B) are approved by the Secretary as part of the review and acceptance of such application.

"SEC. 731. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this subpart $5,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.".

SEC. 7003. FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION.

Section 745 of the Higher Education Act of 1965 (20 U.S.C. 1138d) is amended by striking "2009" and inserting "2021".

SEC. 7004. MINORITY-SERVING INSTITUTIONS INNOVATION FUND.

Title VII of the Higher Education Act of 1965 (20 U.S.C. 1133 et seq.) is amended by inserting after part B the following:

"PART C—FUNDING INNOVATIONS AT MINORITY-SERVING INSTITUTIONS

"SEC. 751. PURPOSE.

"It is the purpose of this part to assist minority-serving institutions in planning, developing, implementing, validating, and replicating innovations that provide solutions to persistent challenges in enabling economically and educationally disadvantaged students to enroll in, persist through, and graduate from college, including innovations designed to—

"(1) increase the successful recruitment at minority-serving institutions of—

"(A) students from low-income families of all races;

"(B) students who begin college when over 21 years of age; and

"(C) military-affiliated students;

"(2) increase the rate at which students enrolled in minority-serving institutions make adequate or accelerated progress toward graduation, and successfully graduate from such institutions;

"(3) increase the number of students pursuing and completing degrees in science, technology, engineering, and mathematics at minority-serving institutions and pursuing graduate work in such fields, including through the establishment of innovation ecosystems on the campuses of such institutions;

"(4) redesign course offerings and other instructional strategies at minority-serving institutions to improve student outcomes and reduce postsecondary education costs;

"(5) enhance the quality and number of traditional and alternative route teacher preparation programs offered by minority-serving institutions;

"(6) expand the effective use of technology at minority-serving institutions; and

"(7) strengthen postgraduate employment outcomes for students enrolled in minority-serving institutions.

"SEC. 752. DEFINITION.

"In this part:

"(1) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) a minority-serving institution; or

"(B) a consortium of a minority-serving institution and—

"(i) one or more other institutions of higher education;

"(ii) a private nonprofit organization;

"(iii) a local educational agency;

"(iv) a high school that—

"(I) receives funding under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.); and

"(II) has been identified for comprehensive support and improvement under section 1111(c)(4)(D)(i) of such Act (20 U.S.C. 6311(c)(4)(D)(i)); or

"(v) any combination of the entities described in clauses (i) through (iv).

"(2) MINORITY SERVING INSTITUTION.—The term 'minority serving institution' means an institution of higher education described in paragraph (1), (2), (3), (4), (5), (6), or (7) of section 371(a).

"SEC. 753. GRANTS AUTHORIZED.

"(a) IN GENERAL.—Except as provided in subsection (b)(2), with the funds made available for this part under section 757, the Secretary shall make planning and implementation grants, as described in subsections (b) and (c), to eligible entities to enable such entities to plan for the implementation of, in the case of a planning grant, and implement, in the case of an implementation grant, innovations described in section 751 and to support the planning, development, implementation, validation, scaling up, and replication of such innovations.

"(b) PLANNING GRANTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), with the funds made available under section 757 for a fiscal year, the Secretary shall use not more than 5 percent or $42,500,000 (whichever is greater) to award planning grants to enable eligible entities to plan, design, and develop innovations described in section 751.

"(2) TYPE OF INSTITUTION.—Planning grants shall be awarded to minority-serving institutions in proportion to the allocations made in subparagraphs (A) through (G) of section 757(1).

"(3) ORDER OF CONSIDERATION.—Subject to paragraph (2) and the priority described in section 755(a), planning grants shall be awarded to eligible entities satisfying the application requirements under section 754 in the order in which received by the Secretary.

"(4) DURATION.—A planning grant authorized under this subsection shall be for the duration of 1 year.

"(5) GRANT AMOUNTS.—Each planning grant authorized under this subsection shall be in an amount that is not more than $150,000.

"(c) IMPLEMENTATION GRANTS.—

"(1) IN GENERAL.—With funds made available for this part under section 757, the Secretary shall award implementation grants on a competitive basis to enable eligible entities to further develop, pilot, field-test, implement, document, validate, and, as applicable, scale up and replicate, innovations described in section 751.

"(2) DURATION.—An implementation grant authorized under this subsection shall be for a duration of 5 years, except that the Secretary may not continue providing funds under the grant after year 3 of the grant period unless the eligible entity demonstrates that the entity has achieved satisfactory progress toward carrying out the educational innovations, activities, and projects described in their application pursuant to section 754(d), as determined by the Secretary.

"(3) GRANT AMOUNT.—Each implementation grant authorized under this subsection shall be in an amount sufficient to enable the eligible entity to achieve the purposes of its proposed activities and projects, but shall not exceed $10,000,000.

"(d) SPECIAL RULES FOR CONSORTIUMS.—

"(1) FISCAL AGENT.—

"(A) IN GENERAL.—In the case of an eligible entity applying for a grant under this part as a consortium, each member of the consortium shall agree on 1 such member of such eligibility entity to serve as a fiscal agent of such entity.

"(B) RESPONSIBILITIES.—The fiscal agent of an eligible entity, as described in subparagraph (A), shall act on behalf of such entity in performing the financial duties of such entity under this part.

"(C) WRITTEN AGREEMENT.—The agreement described in subparagraph (A) shall be in writing and signed by each member of the consortium.

"(2) SUBGRANTS.—In the case of an eligible entity applying for a grant under this part as a consortium, the fiscal agent for such entity (as described in paragraph (1)) may use the funds provided by the grant to make subgrants to members of the consortium.

"SEC. 754. APPLICATIONS.

"(a) IN GENERAL.—An eligible entity desiring to receive a grant under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(b) CONSORTIUM ENTITIES.—An application under this section which is submitted by an eligible entity applying as a consortium shall include the written agreement described in section 753(d)(1)(C).

"(c) PLANNING GRANTS.—The Secretary shall ensure that the application requirements under this section for a planning grant authorized under section 753(b) include, in addition to the requirement in subsection (b) (if applicable), only those minimal requirements that are necessary to review the proposed process of an eligible entity for the planning, design, and development of one or more of the innovations described in section 751.

"(d) IMPLEMENTATION GRANTS.—An application under this section for an innovation grant authorized under section 753(c) shall include, in addition to the requirement under subsection (b) (if applicable), descriptions of—

"(1) each innovation described in section 751 that the eligible entity would implement using the funds made available by such grant, including, as applicable, a description of the evidence base supporting such innovation;

"(2) how each such innovation will address the purpose of this part, as described in section 751, and how each such innovation will further the institutional or organizational mission of the minority-serving institution that is part of the eligible entity;

"(3) the specific activities that the eligible entity will carry out with funds made available by such grant, including, in the case of an eligible entity applying as a consortium, a description of the activities that each member of the consortium will carry out and a description of the capacity of each such member to carry out those activities;

"(4) the performance measures that the eligible entity will use to track its progress in implementing each such innovation, including a description of how the entity will implement those performance measures and use information on performance to make adjustments and improvements to its implementation activities, as needed, over the course of the grant period;

"(5) how the eligible entity will provide for an independent evaluation of the implementation and impact of the projects funded by such grant, including—

"(A) an interim report (evaluating the progress made in the first 3 years of the grant); and

"(B) a final report (completed at the end of the grant period); and

"(6) the plan of the eligible entity for continuing each proposed innovation after the grant has ended.

"SEC. 755. PRIORITY.

"(a) PLANNING GRANTS.—In awarding planning grants under this part, the Secretary shall give priority to applications that were submitted with respect to the prior award year, but did not receive a planning grant due to insufficient funds.

"(b) IMPLEMENTATION GRANTS.—In awarding implementation grants under this part, the Secretary shall give—

"(1) first priority to applications for programs at minority-serving institutions that have not previously received an implementation grant under this part; and

"(2) second priority to applications that address issues of major national need, including—

"(A) innovative partnerships between minority-serving institutions and local educational agencies that are designed to increase the enrollment of historically underrepresented populations in higher education;

"(B) educational innovations designed to increase the rate of postsecondary degree attainment for populations within minority groups that have low relative rates of postsecondary degree attainment;

"(C) educational innovations that support programs and initiatives at minority-serving institutions to enhance undergraduate and graduate programs in science, technology, engineering, and mathematics;

"(D) innovative partnerships between minority-serving institutions and other organizations to establish innovation ecosystems in support of economic development, entrepreneurship, and the commercialization of technology supported by research funded through this grant;

"(E) educational innovations that enhance the quality and number of traditional and alternative route teacher preparation programs at minority-serving institutions to enable teachers to be highly effective in the classroom and to enable such programs to meet the demands for diversity and accountability in teacher education; and

"(F) educational innovations that strengthen postgraduate employment outcomes of minority-serving institutions through the implementation of comprehensive and strategic career pathways for students.

"SEC. 756. USES OF FUNDS.

"(a) PLANNING GRANTS.—An eligible entity receiving a planning grant under section 753(b) shall use funds made available by such grant to conduct an institutional planning process that includes—

"(1) an assessment of the needs of the minority-serving institution;

"(2) research on educational innovations described in section 751 that will meet the needs described in paragraph (1);

"(3) the selection of one or more such educational innovations for implementation;

"(4) an assessment of the capacity of the minority-serving institution to implement such educational innovation; and

"(5) activities to further develop such capacity.

"(b) IMPLEMENTATION GRANTS.—An eligible entity receiving an implementation grant under section 753(c) shall use the funds made available by such grant to further develop, pilot, field-test, implement, document, validate, and, as applicable, scale up, and replicate innovations described in section 751, such as innovations designed to—

"(1) create a college-bound culture at secondary schools (including efforts targeting high-achieving students from low-income families) through activities undertaken in partnership with local educational agencies and nonprofit organizations, such as—

"(A) activities that promote postsecondary school awareness, including recruitment, organizing campus visits, and providing assistance with entrance and financial aid application completion; and

"(B) postsecondary school preparation efforts such as—

"(i) aligning high school coursework and high school graduation requirements with the requirements for entrance into credit-bearing coursework at 4-year institutions of higher education;

"(ii) early identification and support for students at risk of not graduating from high school, or at risk of requiring remediation upon enrolling in postsecondary education; and

"(iii) dual-enrollment programs;

"(2) improve student achievement, such as through activities designed to increase the number or percentage of students who successfully complete developmental or remedial coursework (which may be accomplished through the evidence-based redesign of such coursework) and pursue and succeed in postsecondary studies;

"(3) increase the number of minority males who attain a postsecondary degree, such as through evidence-based interventions that integrate academic advising with social and cultural supports and assistance with job placement;

"(4) increase the number or percentage of students who make satisfactory or accelerated progress toward graduation from postsecondary school and the number or percentage who graduate from postsecondary school on time, such as through the provision of comprehensive academic and nonacademic student support services.

"(5) activities to promote a positive climate on campuses of institutions of higher education and to increase the sense of belonging among eligible students, including through first year support programs such as mentoring and peer networks and advisories;

"(6) increase the number or percentage of students, particularly students who are members of historically underrepresented populations, who enroll in science, technology, engineering, and mathematics courses, graduate with degrees in such fields, and pursue advanced studies in such fields;

"(7) develop partnerships between minority-serving institutions and other organizations to establish innovation ecosystems in support of economic develop-

ment, entrepreneurship, and the commercialization of technology supported by funded research;

"(8) implement evidence-based improvements to courses, particularly high-enrollment courses, to improve student outcomes and reduce education costs for students, including costs of remedial courses;

"(9) enhance the quality and number of traditional and alternative route teacher and school leader preparation programs at minority-serving institutions that enable graduates to be profession-ready and highly effective in the classroom and to enable such programs to meet the demands for diversity and accountability in educator preparation;

"(10) expand the effective use of technology in higher education, such as through collaboration between institutions on implementing technology-enabled delivery models (including hybrid models) or through the use of open educational resources and digital content;

"(11) strengthen postgraduate employment outcomes through the implementation of comprehensive and strategic career pathways for students, which may include aligning curricula with workforce needs, experiential learning, integration of career services, and developing partnerships with employers and business organizations; and

"(12) provide a continuum of solutions by incorporating activities that address multiple objectives described in paragraphs (1) through (11).

"SEC. 757. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out activities under this part $850,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years, to be allocated as follows:

"(1) for institutions described in paragraph (1) of section 371(a), $224,987,083;

"(2) for institutions described in paragraph (2) of section 371(a), $214,446,428;

"(3) for institutions described in paragraph (3) of section 371(a), $78,056,743;

"(4) for institutions described in paragraph (4) of section 371(a), $20,662,079;

"(5) for institutions described in paragraph (5) of section 371(a), $130,859,834;

"(6) for institutions described in paragraph (6) of section 371(a), $122,305,533; and

"(7) for institutions described in paragraph (7) of section 371(a), $58,682,300.".

SEC. 7005. DEFINITIONS.

Section 760 of the Higher Education Act of 1965 (20 U.S.C. 1140) is amended to read as follows:

"SEC. 760. DEFINITIONS.

"In this part:

"(1) COMPREHENSIVE TRANSITION AND POSTSECONDARY PROGRAM FOR STUDENTS WITH INTELLECTUAL DISABILITIES.—The term 'comprehensive transition and postsecondary program for students with intellectual disabilities' means a program that leads to a degree, certificate, or recognized postsecondary credential issued by an institution of higher education that meets each of the following requirements:

"(A) Is offered by an institution of higher education.

"(B) Is designed to support students with intellectual disabilities who are seeking to continue academic, career and technical, and independent living instruction at an institution of higher education in order to prepare for gainful employment and competitive integrated employment.

"(C) Includes student advising and a program of study.

"(D) Requires students with intellectual disabilities to participate on not less than a half-time basis as determined by the institution, with such participation focusing on academic and career development components and occurring through one or more of the following activities:

"(i) Regular enrollment in credit-bearing courses with students without disabilities that are offered by the institution.

"(ii) Auditing or participating in courses with students without disabilities that are offered by the institution and for which the student does not receive regular academic credit.

"(iii) Enrollment in noncredit-bearing, nondegree courses with students without disabilities.

"(iv) Participation in internships, registered apprenticeships, or work-based experiences in competitive integrated settings for a semester, or multiple semesters.

"(E) Requires students with intellectual disabilities to be socially and academically integrated with students without disabilities to the maximum extent practicable.

"(F) Does not require the work components (ii) to occur each semester.

"(2) DISABILITY.—The term 'disability' has the meaning given such term in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102).

"(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given such term in section 101.

"(4) OFFICE OF ACCESSIBILITY.—The term 'Office of Accessibility' has the meaning given to the office of disability services of the institution or equivalent office.

"(5) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term 'recognized postsecondary credential' has the meaning given the term in section 101 of the Workforce Innovation and Opportunity Act.

"(6) STUDENT WITH AN INTELLECTUAL DISABILITY.—The term 'student with an intellectual disability' means a student—

"(A) with a cognitive impairment, characterized by significant limitations in—

"(i) intellectual and cognitive functioning; and

"(ii) adaptive behavior as expressed in conceptual, social, and practical adaptive skills;

"(B) who is currently, or was formerly, eligible for a free appropriate public education under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.); and

"(C) or, in the case of a student who has not currently or formerly been found eligible for a free appropriate education under the Individuals with Disabilities Education Act, or a student who has not previously been found eligible as a student with an intellectual disability under IDEA, documentation establishing that the student has an intellectual disability, such as—

"(i) a documented comprehensive and individualized psycho-educational evaluation and diagnosis of an intellectual disability by a psychologist or other qualified professional; or

"(ii) a record of the disability from a local or State educational agency, or government agency, such as the Social Security Administration or a vocational rehabilitation agency, that identifies the intellectual disability.".

SEC. 7006. SUPPORTING POSTSECONDARY FACULTY, STAFF, AND ADMINISTRATORS IN PROVIDING ACCESSIBLE EDUCATION.

(a) GRANTS.—Section 762 of the Higher Education Act of 1965 (20 U.S.C. 1140b) is amended to read as follows:

"SEC. 762. GRANTS AUTHORIZED.

"(a) COMPETITIVE GRANTS AUTHORIZED TO SUPPORT POSTSECONDARY FACULTY, STAFF, AND ADMINISTRATORS IN PROVIDING AN ACCESSIBLE EDUCATION.—

"(1) IN GENERAL.—From amounts appropriated under section 765C, the Secretary shall award grants, on a competitive basis, to institutions of higher education to enable the institutions to carry out the activities under subsection (b).

"(2) AWARDS FOR PROFESSIONAL DEVELOPMENT AND TECHNICAL ASSISTANCE.—Not less than 5 grants shall be awarded to institutions of higher education that provide professional development and technical assistance in order to improve access to, and completion of, postsecondary education for students, including students with disabilities.

"(b) DURATION; ACTIVITIES.—

"(1) DURATION.—A grant under this section shall be awarded for a period of 5 years.

"(2) AUTHORIZED ACTIVITIES.—A grant awarded under this section shall be used to carry out one or more of the following activities:

"(A) TEACHING METHODS AND STRATEGIES.—The development and implementation of training to provide innovative, effective, and evidence-based teaching methods and strategies, consistent with the principles of universal design for learning, to provide postsecondary faculty, staff, and administrators with the skills and supports necessary to teach and meet the academic and programmatic needs of students (including students with disabilities) in order to improve the retention of such students in, and the completion by such students of, postsecondary education. Such methods and strategies may include in-service training, professional development, customized and general technical assistance, workshops, summer institutes, distance learning, and training in the use of assistive and educational technology.

"(B) IMPLEMENTING ACCOMMODATIONS.—The development and implementation of training to provide postsecondary faculty, staff, and administrators methods and strategies of providing appropriate accommodations consistent with the principles of universal design for learning for students with dis-

abilities, including descriptions of legal obligations of the institution of higher education to provide such accommodations.

"(C) EFFECTIVE TRANSITION PRACTICES.—The development and implementation of innovative, effective, and evidence-based teaching methods and strategies to provide postsecondary faculty, staff, and administrators with the skills and supports necessary to ensure the successful and smooth transition of students with disabilities from secondary school to postsecondary education. The teaching methods and strategies may include supporting students in the development of self-advocacy skills to improve transition to, and completion of, postsecondary education.

"(D) DISTANCE LEARNING.—The development and implementation of training to provide innovative, effective, and evidence-based teaching methods and strategies to enable postsecondary faculty, staff, and administrators to provide accessible distance education programs or classes that would enhance the access of students (including students with disabilities) to postsecondary education, including the use of accessible curricula and electronic communication for instruction and advising that meet the requirements of section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

"(E) CAREER PATHWAY GUIDANCE.—The development and implementation of effective and evidence-based teaching methods and strategies to provide postsecondary faculty, staff, and administrators with the ability to advise students with disabilities with respect to their chosen career pathway, which shall include at least one of the following:

"(i) Supporting internships, apprenticeships, or work-based learning opportunities.

"(ii) Counseling on coursework to meet the recognized educational credential or recognized postsecondary credential appropriate for the field chosen.

"(iii) Developing self-advocacy skills to advocate for appropriate accommodations once in the workplace.

"(iv) Support with selecting a career pathway that leads to competitive, integrated employment.

"(3) MANDATORY EVALUATION AND DISSEMINATION.—An institution of higher education awarded a grant under this section shall evaluate and disseminate to other institutions of higher education the information obtained through the activities described in subparagraphs (A) through (E) of paragraph (2).

"(c) CONSIDERATIONS IN MAKING AWARDS.—In awarding grants, contracts, or cooperative agreements under this section, the Secretary shall consider the following:

"(1) GEOGRAPHIC DISTRIBUTION.—Providing an equitable geographic distribution of such awards.

"(2) RURAL AND URBAN AREAS.—Distributing such awards to urban and rural areas.

"(3) RANGE AND TYPE OF INSTITUTION.—Ensuring that the activities to be assisted are developed for a range of types and sizes of institutions of higher education.

"(d) REPORTS.—

"(1) INITIAL REPORT.—Not later than one year after the date of enactment of the College Affordability Act, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report on all projects awarded grants under this part, including a review of the activities and program performance of such projects based on existing information as of the date of the report.

"(2) SUBSEQUENT REPORT.—Not later than five years after the date of the first award of a grant under this section after the date of enactment of the College Affordability Act, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report that—

"(A) reviews the activities and program performance of the projects authorized under subsection (b); and

"(B) provides guidance and recommendations on how effective projects can be replicated.".

(b) APPLICATIONS.—Section 763 of the Higher Education Act of 1965 (20 U.S.C. 1140c) is amended to read as follows:

"SEC. 763. APPLICATIONS.

"Each institution of higher education desiring to receive a grant under section 762 shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall include—

"(1) a description of the activities authorized under section 762(b) that the institution proposes to carry out, and how such institution plans to conduct such activities in order to further the purposes of this subpart;

"(2) a description of how the institution consulted with a broad range of people including students with disabilities and individuals with expertise in disability supports or special education within the institution to develop activities for which assistance is sought;

"(3) a description of how the institution will coordinate and collaborate with the office of accessibility; and

"(4) a description of the extent to which the institution will work to replicate the research-based and best practices of institutions of higher education with demonstrated effectiveness in serving students with disabilities.".

SEC. 7007. OFFICE OF ACCESSIBILITY.

Subpart 1 of part D of title VII of the Higher Education Act of 1965 (20 U.S.C. 1140a et seq.) is amended—

(1) by redesignating section 765 as section 765C;

(2) by inserting after section 764 the following:

"SEC. 765A. OFFICE OF ACCESSIBILITY.

"(a) ESTABLISHMENT.—Each institution of higher education shall establish an office of accessibility to develop and implement policies to support students who enter postsecondary education with disabilities and students who acquire a disability while enrolled in an institution of higher education.

"(b) DUTIES.—Each office of accessibility shall—

"(1) inform students, during student orientation, about services provided at the institution of higher education, and continually update such information through the accessibility office's website and other communications to improve accessibility of such services;

"(2) provide information to students regarding accommodations and modifications provided by the institution of higher education with respect to internships, practicums, work-based learning, apprenticeships, or other work-related environments that—

"(A) the student may engage in through courses; or

"(B) are necessary for completion of a recognized educational credential or recognized postsecondary credential;

"(3) provide information to students regarding their legal rights under the Americans with Disabilities Act (42 U.S.C. 12101 et seq.) and section 504 of the Rehabilitation Act (29 U.S.C. 794); and

"(4) in order to provide appropriate accommodations to students with disabilities, carry out the following:

"(A) Adopt policies that, at a minimum, make any of the following documentation submitted by an individual sufficient to establish that such individual is an individual with a disability:

"(i) Documentation that the individual has had an individualized education program (in this clause referred to as an 'IEP') in accordance with section 614(d) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)), including an IEP that may not be current on the date of the determination that the individual has a disability. The office of accessibility may ask for additional documentation from an individual who had an IEP but who was subsequently evaluated and determined to be ineligible for services under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), including an individual determined to be ineligible during elementary school.

"(ii) Documentation describing services or accommodations provided to the individual pursuant to section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (commonly referred to as a 'Section 504 plan').

"(iii) A plan or record of service for the individual from a private school, a local educational agency, a State educational agency, or an institution of higher education provided in accordance with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

"(iv) A record or evaluation from a relevant licensed professional finding that the individual has a disability.

"(v) A plan or record of disability from another institution of higher education.

"(vi) Documentation of a disability due to service in the uniformed services, as defined in section 484C(a).

"(B) Adopt policies that are transparent and explicit regarding the process by which the institution determines eligibility for accommodations.

"(C) Disseminate the information described in subparagraph (B) to students, parents, and faculty—

"(i) in an accessible format;

"(ii) during student orientation; and

"(iii) by making such information readily available on a public website of the institution.

"(D) Provide accommodations to students with mental health disabilities, and students with disabilities associated with pregnancy.

"(E) Provide outreach and consult with students in inclusive higher education.

"SEC. 765B. COMPETITIVE GRANT FOR INNOVATION AND ACCESSIBILITY.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—From amounts appropriated under section 765C, the Secretary may award grants on a competitive basis to institutions of higher education to enable the institutions to carry out the activities described under subsection (c).

"(2) DURATION.—A grant under this section shall be awarded for a period of 5 years.

"(3) CONSIDERATION IN MAKING AWARDS.—In awarding grants under this section, the Secretary shall consider the following:

"(A) Providing an equitable geographic distribution of such awards.

"(B) Ensuring that the activities to be assisted are developed for a range of types and sizes of institutions of higher education.

"(b) APPLICATION.—Each institution of higher education desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall include—

"(1) a description of how the institution will carry out the activities under subsection (c);

"(2) a description of the consultation the institution has had with a broad range of people within the institution, including students with disabilities and individuals with expertise in disability supports or special education, in developing the information under paragraph (1);

"(3) a plan for the sustainability of the program after the end of the grant period; and

"(4) a written business plan for revenue and expenditures to be provided to the Department under subsection (d).

"(c) ACTIVITIES.—A grant awarded under this section shall be used to—

"(1) develop and implement across the institution of higher education, a universal design for learning framework for course design and instructional materials to improve campus-wide accessibility to instruction, materials, and the learning environment; or

"(2) develop or improve distance education courses consistent with the principles of universal design for learning to improve accessibility of instruction and materials.

"(d) REPORTS.—

"(1) GRANT RECIPIENT REPORTS.—An institution of higher education awarded a grant under this section shall evaluate and disseminate to other institutions of higher education, the information obtained through the activities described in subsection (c).

"(2) INITIAL REPORT BY SECRETARY.—Not later than one year after the date of the enactment of this section, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report on all projects awarded grants under this section, including a review of the activities and program performance of such projects based on existing information as of the date of the report.

"(3) FINAL REPORT BY SECRETARY.—Not later than 6 years after the date of the first award of a grant under this section, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report that—

"(A) reviews the activities and program performance of the projects authorized under this section; and

"(B) provides guidance and recommendations on how effective projects can be replicated."; and

(3) by amending section 765C, as so redesignated, by striking "2009" and inserting "2021".

SEC. 7008. POSTSECONDARY PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES.

(a) PURPOSE.—Section 766 of the Higher Education Act of 1965 (20 U.S.C. 1140f) is amended to read as follows:

"SEC. 766. PURPOSE.

"It is the purpose of this subpart to support inclusive programs that promote the successful transition of students with intellectual disabilities into higher education and the earning of a recognized educational credential or recognized postsecondary credential issued by the institution of higher education.".

(b) PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES.—Section 767 of the Higher Education Act of 1965 (20 U.S.C. 1140g) is amended to read as follows:

"SEC. 767. INCLUSIVE HIGHER EDUCATION PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES.

"(a) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—From amounts appropriated under section 769(a), the Secretary shall annually award grants, on a competitive basis, to institutions of higher education (or consortia of three or more institutions of higher education), to enable such institutions or consortia to create or expand a comprehensive transition and postsecondary education program for students with intellectual disabilities.

"(2) ELIGIBILITY AND APPROPRIATIONS LIMITS.—

"(A) RELATION TO OTHER GRANTS.—An institution of higher education that received a grant under this section before the date of the enactment of the College Affordability Act may not receive an additional grant under this section unless—

"(i) the institution receives a grant as part of a consortium of three or more institutions of higher education; or

"(ii) the grant term of such preceding grant has ended.

"(B) LIMITATION ON AMOUNTS.—

"(i) INSTITUTION OF HIGHER EDUCATION.—A grant under this section made to an institution of higher education may not be in an amount greater than $300,000.

"(ii) CONSORTIUM.—A grant under this section made to a consortia of institutions of higher education may not be in an amount greater than $500,000.

"(3) ADMINISTRATION.—The program under this section shall be administered by the office in the Department that administers other postsecondary education programs in collaboration with the Office of Postsecondary Education and the Office of Special Education and Rehabilitative Services of the Department of Education.

"(4) DURATION OF GRANTS.—A grant under this section shall be awarded for a period of 5 years.

"(b) APPLICATION.—An institution of higher education or a consortium desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(c) AWARD BASIS.—In awarding grants under this section, the Secretary shall—

"(1) provide for an equitable geographic distribution of such grants;

"(2) to the extent possible, provide for an equitable distribution of such grants between 4–year institutions of higher education and 2–year institutions of higher education, including community colleges;

"(3) provide grant funds for high-quality, inclusive higher education programs for students with intellectual disabilities, herein after referred to as inclusive higher education programs, that will serve areas that are underserved by programs of this type;

"(4) in the case of an institution of higher education that provides institutionally owned or operated housing for students attending the institution, award grants only to such institutions that integrate students with intellectual disabilities into the housing offered to students without disabilities or to institutions that provide such integrated housing through providing supports to students directly or through partnerships with other organizations;

"(5) provide grant funds to encourage involvement of students attending institutions of higher education in the fields of special education, general education, vocational rehabilitation, assistive technology, or related fields in the program;

"(6) select applications that—

"(A) demonstrate an existing comprehensive transition and postsecondary education program for students with intellectual disabilities that is title IV eligible; or

"(B) agree to establish such a program; and

"(7) give preference to applications submitted under subsection (b) that agree to incorporate into the inclusive higher education program for students with intellectual disabilities carried out under the grant one or more of the following elements:

"(A) The formation of a partnership with any relevant agency serving students with intellectual disabilities, such as a vocational rehabilitation agency.

"(B) Applications that represent geographically underserved States.

"(d) USE OF FUNDS; REQUIREMENTS.—An institution of higher education or consortium receiving a grant under this section shall—

"(1) use the grant funds to establish an inclusive higher education program for students with intellectual disabilities that—

"(A) serves students with intellectual disabilities;

"(B) provides individual supports and services for the academic and social inclusion of students with intellectual disabilities in academic courses, extracurricular activities, and other aspects of the regular postsecondary program, including access to health and mental health services, offices of accessibility, and graduation ceremonies;

"(C) with respect to the students with intellectual disabilities participating in the program, provides a focus on—

"(i) academic and career development;

"(ii) socialization and inclusion with the general student population;

"(iii) independent living skills, including self-advocacy skills; and

"(iv) integrated work experiences and career skills that lead to competitive integrated employment;

"(D) integrates person-centered planning in the development of the course of study for each student with an intellectual disability participating in the program;

"(E) plans for the sustainability of the program after the end of the grant period, with a written business plan for revenue and expenditures to be provided to the Department by the end of year 3; and

"(F) awards a degree, certificate, or recognized postsecondary credential for students with intellectual disabilities upon the completion of the program;

"(2) in the case of an institution of higher education that provides institutionally owned or operated housing for students attending the institution or integrated housing through providing supports to students directly or through partnerships with other organizations, provide for the integration of students with intellectual disabilities into housing offered to students without disabilities;

"(3) participate with the coordinating center established under section 777(b) in the evaluation of the program, including by regularly submitting data on experiences and outcomes of individual students participating in the program; and

"(4) partner with one or more local educational agencies to support students with intellectual disabilities participating in the program who are eligible for special education and related services under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), including the use of funds available under part B of such Act (20 U.S.C. 1411 et seq.) to support the participation of such students in the program.

"(e) MATCHING REQUIREMENT.—An institution of higher education (or consortium) that receives a grant under this section shall provide matching funds toward the cost of the inclusive higher education program for students with intellectual disabilities carried out under the grant. Such matching funds may be provided in cash or in-kind, and shall be in an amount of not less than 25 percent of the amount of such costs.

"(f) DATA COLLECTION AND TRANSMISSION.—

"(1) IN GENERAL.—An institution or consortium receiving a grant under this section shall collect and transmit to the coordinating center established under section 777(b) on an annual basis for each student who is enrolled in the program, student-level information related to the experiences and outcomes of students who participate in the inclusive higher education program for students with intellectual disabilities.

"(2) LONGITUDINAL DATA.—Each grantee shall collect longitudinal outcome data from each student participating in the program and transmit such data to the coordinating center established under section 777(b). Such longitudinal data shall be collected for every student each year for 5 years after the student graduates from, or otherwise exits, the program.

"(3) DATA TO BE COLLECTED.—The program-level information and data and student-level information and data to be collected under this subsection shall include—

"(A) the number and type of postsecondary education courses taken and completed by the student;

"(B) academic outcomes;

"(C) competitive, integrated employment outcomes;

"(D) independent living outcomes; and

"(E) social outcomes, including community integration.

"(4) DISAGGREGATION.—The information determined under paragraph (3) shall be disaggregated by race, gender, socioeconomic status, Federal Pell Grant eligibility status, status as a first generation college student, and veteran or active duty status.

"(g) REPORT.—Not later than 5 years after the date of the first grant awarded under this section, the Secretary shall prepare and disseminate a report to the authorizing committees and to the public that—

"(1) reviews the activities of the inclusive higher education programs for students with intellectual disabilities funded under this section; and

"(2) provides guidance and recommendations on how effective programs can be replicated.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 769(a) of the Higher Education Act of 1965 (20 U.S.C. 1140i) is amended by striking "2009" and inserting "2021".

SEC. 7009. NATIONAL TECHNICAL ASSISTANCE CENTER AND NATIONAL COORDINATING CENTER FOR INCLUSION OF STUDENTS WITH INTELLECTUAL DISABILITIES.

(a) IN GENERAL.—Section 777 of the Higher Education Act of 1965 (20 U.S.C. 1140q) is amended to read as follows:

"SEC. 777. NATIONAL TECHNICAL ASSISTANCE CENTER AND NATIONAL COORDINATING CENTER FOR INCLUSION OF STUDENTS WITH INTELLECTUAL DISABILITIES.

"(a) NATIONAL TECHNICAL ASSISTANCE CENTER.—

"(1) IN GENERAL.—From amounts appropriated under paragraph (5), the Secretary shall award a grant to, or enter into a contract or cooperative agreement with, an eligible entity to provide for the establishment and support of a National Technical Assistance Center. The National Technical Assistance Center shall carry out the duties set forth in paragraph (4).

"(2) ADMINISTRATION.—The program under this section shall be administered by the office in the Department that administers other postsecondary education programs in consultation with the Office of Special Education and Rehabilitative Services.

"(3) ELIGIBLE ENTITY.—In this subpart, the term 'eligible entity' means an institution of higher education, a nonprofit organization, or partnership of two or more such institutions or organizations, with demonstrated expertise in—

"(A) transitioning students with disabilities from secondary school to postsecondary education;

"(B) supporting students with disabilities in postsecondary education;

"(C) technical knowledge necessary for the dissemination of information in accessible formats; and

"(D) working with diverse types of institutions of higher education, including community colleges.

"(4) DUTIES.—The duties of the National Technical Assistance Center shall include the following:

"(A) ASSISTANCE TO STUDENTS AND FAMILIES.—The National Technical Assistance Center shall provide information and technical assistance to students with disabilities and the families of students with disabilities to support students across the broad spectrum of disabilities, including—

"(i) information to assist individuals with disabilities who are prospective students of an institution of higher education in planning for postsecondary education while the students are in secondary school;

"(ii) information and technical assistance provided to individualized education program teams (as defined in section 614(d)(1) of the Individuals with Disabilities Education Act) for secondary school students with disabilities, and to early outreach and student services programs, including programs authorized under subparts 2, 4, and 5 of part A of title IV, to support students across a broad spectrum of disabilities with the successful transition to postsecondary education;

"(iii) research-based supports, services, and accommodations which are available in postsecondary settings, including services provided by other agencies such as vocational rehabilitation;

"(iv) information on student mentoring and networking opportunities for students with disabilities; and

"(v) effective recruitment and transition programs at postsecondary educational institutions.

"(B) ASSISTANCE TO INSTITUTIONS OF HIGHER EDUCATION.—The National Technical Assistance Center shall provide information and technical assistance to faculty, staff, and administrators of institutions of higher education to improve the services provided to, the accommodations for, the retention rates of, and the completion rates of, students with disabilities in higher education settings, which may include—

"(i) collection and dissemination of best and promising practices and materials for accommodating and supporting students with disabilities, including practices and materials supported by the grants, contracts, or cooperative agreements authorized under subparts 1, 2, and 3;

"(ii) development and provision of training modules for higher education faculty on exemplary practices for accommodating and supporting postsecondary students with disabilities across a range of academic fields, which may include universal design for learning and practices supported by the grants, contracts, or cooperative agreements authorized under subparts 1, 2, and 3; and

"(iii) development of technology-based tutorials for higher education faculty and staff, including new faculty and graduate students, on best and promising practices related to support and retention of students with disabilities in postsecondary education.

"(C) INFORMATION COLLECTION AND DISSEMINATION.—The National Technical Assistance Center shall be responsible for building, maintaining, and updating a database of disability support services information with respect to institutions of higher education, or for expanding and updating an existing database of disabilities support services information with respect to institutions of higher education. Such database shall be available to the general public through a website built to high technical standards of accessibility practicable for the broad spectrum of individuals with disabilities. Such database and website shall include available information on—

"(i) disability documentation requirements;

"(ii) support services available;

"(iii) links to financial aid;

"(iv) accommodations policies;

"(v) accessible instructional materials;

"(vi) other topics relevant to students with disabilities; and

"(vii) the information in the report described in subparagraph (E).

"(D) DISABILITY SUPPORT SERVICES.—The National Technical Assistance Center shall work with organizations and individuals with proven expertise related to disability support services for postsecondary students with disabilities to evaluate, improve, and disseminate information related to the delivery of high quality disability support services at institutions of higher education.

"(E) REVIEW AND REPORT.—Not later than three years after the establishment of the National Technical Assistance Center, and every two years thereafter, the National Technical Assistance Center shall prepare and disseminate a report to the Secretary and the authorizing committees analyzing the condition of postsecondary success for students with disabilities. Such report shall include—

"(i) a review of the activities and the effectiveness of the programs authorized under this part;

"(ii) annual enrollment and graduation rates of students with disabilities in institutions of higher education from publicly reported data;

"(iii) recommendations for effective postsecondary supports and services for students with disabilities, and how such supports and services may be widely implemented at institutions of higher education;

"(iv) recommendations on reducing barriers to full participation for students with disabilities in higher education; and

"(v) a description of strategies with a demonstrated record of effectiveness in improving the success of such students in postsecondary education.

"(F) STAFFING OF THE CENTER.—In hiring employees of the National Technical Assistance Center, the National Technical Assistance Center shall consider the expertise and experience of prospective employees in providing training and technical assistance to practitioners.

"(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $10,000,000.

"(b) THE NATIONAL COORDINATING CENTER FOR INCLUSION OF STUDENTS WITH INTELLECTUAL DISABILITIES.—

"(1) DEFINITION OF ELIGIBLE ENTITY.—In this subsection, the term 'eligible entity' means an entity, or a partnership of entities, that has demonstrated expertise in the fields of—

"(A) higher education;

"(B) the education of students with intellectual disabilities;

"(C) the development of inclusive higher education programs for students with intellectual disabilities; and

"(D) evaluation and technical assistance.

"(2) IN GENERAL.—From amounts appropriated under paragraph (7), the Secretary shall enter into a cooperative agreement, on a competitive basis, with an eligible entity for the purpose of establishing a coordinating center for institutions of higher education that offer inclusive higher education programs for students with intellectual disabilities, including institutions participating in grants authorized under subpart 2 to provide—

"(A) recommendations related to the development of standards for such programs;

"(B) technical assistance for such programs; and

"(C) evaluations for such programs, including systematic collection of data on the experiences and outcomes of individuals with intellectual disabilities.

"(3) ADMINISTRATION.—The program under this subsection shall be administered by the Office of Postsecondary Education, in collaboration with the Office of Special Education and Rehabilitative Services.

"(4) DURATION.—The Secretary shall enter into a cooperative agreement under this subsection for a period of five years.

"(5) REQUIREMENTS OF COOPERATIVE AGREEMENT.—The eligible entity entering into a cooperative agreement under this subsection shall establish and maintain a coordinating center that shall—

"(A) serve as the technical assistance entity for all inclusive higher education programs and comprehensive transition and postsecondary programs for students with intellectual disabilities;

"(B) provide technical assistance regarding the development, evaluation, and continuous improvement of such programs;

"(C) evaluate such programs using qualitative and quantitative methodologies for measuring program strengths in the areas of academic access, academic enrichment, socialization, competitive integrated employment, attainment of a degree, certificate, or recognized postsecondary credential, and independent living;

"(D) evaluate participant progress by creating and maintaining a database of student-level information and data related to the experiences and outcomes of youth who participate in each inclusive higher education program that receives a grant under this subpart;

"(E) create and maintain a mechanism for continuing to collect outcome information from students who participated in inclusive higher education programs that were developed in previous grant award cycles;

"(F) assist recipients of a grant under this subpart in efforts to award a degree, certificate, or recognized postsecondary credential;

"(G) create and maintain a database of student and program level data reflecting implementation of the inclusive higher education program that receives a grant under this subpart;

"(H) create and maintain a mechanism to consolidate follow up data on student outcomes collected by inclusive higher education programs funded through previous grant cycles;

"(I) assist recipients of grants under subpart 2 in efforts to award a degree, certificate, or recognized postsecondary credential to students with intellectual disabilities upon the completion of such programs;

"(J) identify model memoranda of agreement for use between or among institutions of higher education and State and local agencies providing funding for such programs;

"(K) develop recommendations for the necessary components of such programs, such as—

"(i) academic, career and technical, social, and independent living skills;

"(ii) evaluation of student progress;

"(iii) program administration and evaluation;

"(iv) student eligibility;

"(v) issues regarding the equivalency of a student's participation in such programs to semester, trimester, quarter, credit, or clock hours at an institution of higher education, as the case may be; and

"(vi) access to student housing for students participating in the inclusive higher education programs, including accommodations and services that support independent living;

"(L) review and analyze—

"(i) the impact of State and Federal policy on inclusive higher education legislation; and

"(ii) funding streams for such programs;

"(M) provide recommendations regarding the funding streams described in paragraph (H)(ii);

"(N) develop mechanisms for regular communication, outreach and dissemination of information about inclusive higher education programs for students with intellectual disabilities under subpart 2 between or among such programs and to families and prospective students;

"(O) host a meeting of all recipients of grants under subpart 2 not less often than once each year; and

"(P) convene a work group to continue the development of and recommendations for model criteria, standards, and components of inclusive higher education programs and comprehensive transition and postsecondary programs for students with intellectual disabilities, that are appropriate for the development of accreditation standards—

"(i) which work group shall include—

"(I) an expert in community college education;

"(II) an expert in career technical education;

"(III) an expert in 4–year institutions of higher education;

"(IV) an expert in special education;

"(V) a disability organization that represents students with intellectual disabilities;

"(VI) a representative from the National Advisory Committee on Institutional Quality and Integrity; and

"(VII) a representative of a regional or national accreditation agency or association; and

"(ii) the work group will carry out the following activities—

"(I) conduct outreach to accrediting agencies;

"(II) develop a technical guidance document to support implementation of the model standards;

"(III) develop and conduct a protocol for implementing the model standards; and

"(IV) update recommendations for the model standards, criteria, and components of such programs, as applicable.

"(6) REPORT.—Not later than 5 years after the date of the establishment of the coordinating center under this subsection, the coordinating center shall report to the Secretary, the authorizing committees, and the National Advisory Committee on Institutional Quality and Integrity on the activities described in paragraph (5).

"(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 2021 and each of the five succeeding fiscal years.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 778 of the Higher Education Act of 1965 (20 U.S.C. 1140r) is repealed.

SEC. 7010. FORMULA GRANTS TO STATES TO IMPROVE HIGHER EDUCATION OPPORTUNITIES FOR FOSTER YOUTH AND HOMELESS YOUTH.

Title VII of the Higher Education Act of 1965 (20 U.S.C. 1133 et seq.) is further amended by adding at the end the following new part:

"PART F—GRANTS FOR IMPROVING ACCESS TO AND SUCCESS IN HIGHER EDUCATION FOR FOSTER YOUTH AND HOMELESS YOUTH

"SEC. 791. DEFINITIONS.

"In this part:

"(1) FOSTER YOUTH.—The term 'foster youth'—

"(A) means an individual whose care and placement is the responsibility of the State or tribal agency that administers a State or tribal plan under part B or E of title IV of the Social Security Act (42 U.S.C. 621 et seq.; 670 et seq.), without regard to whether foster care maintenance payments are made under section 472 of such Act (42 U.S.C. 672) on behalf of the individual; and

"(B) includes any individual—

"(i) whose care and placement was the responsibility of such a State or tribal agency when, or at any time after, the individual attained 13 years of age, without regard to whether foster care maintenance payments were made under section 472 of such Act (42 U.S.C. 672) on behalf of the individual; and

"(ii) who is no longer under the care and responsibility of such a State or tribal agency, without regard to any subsequent adoption, guardianship arrangement, or other form of permanency option.

"(2) HOMELESS YOUTH.—The term 'homeless youth' has the meaning given the term 'homeless children and youths' in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a).

"(3) INDIAN TRIBE; TRIBAL ORGANIZATION.—The terms 'Indian Tribe' and 'tribal organization' have the meanings given the terms in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

"(4) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101.

"(5) STATE.—The term 'State' means each of the several States and the District of Columbia.

"(6) TERRITORY.—The term 'territory' means Puerto Rico, United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

"SEC. 792. FORMULA GRANTS TO STATES TO IMPROVE ACCESS TO AND SUCCESS IN HIGHER EDUCATION FOR FOSTER YOUTH AND HOMELESS YOUTH.

"(a) GRANT PROGRAM ESTABLISHED.—From the amount appropriated under subsection (h), the Secretary shall make allotments under subsection (b), to States having applications approved under subsection (c), to enable each State to—

"(1) carry out the Statewide transition initiative described in subsection (d); and

"(2) make subgrants described in subsection (e).

"(b) ALLOCATIONS.—

"(1) FORMULA.—

"(A) RESERVATION FOR INDIAN TRIBES AND TERRITORIES.—

"(i) IN GENERAL.—From the amount appropriated under subsection (h) for a fiscal year and subject to clause (ii), the Secretary shall reserve—

"(I) not more than 3 percent for grants to Indian Tribes, consortia of Indian Tribes, or Tribal organizations; and

"(II) not more than 2 percent for grants to territories.

"(ii) REQUIREMENTS.—In awarding grants under this subparagraph, the Secretary—

"(I) shall not award a grant under subclause (I) or (II) of clause (i) for a fiscal year for which no Indian Tribe (or consortium of Indian Tribes) or Tribal organization, or territory, respectively, submits a satisfactory application for a grant under such subclause;

"(II) shall require that any Indian Tribe, consortium, Tribal organization, or territory that receives a grant under this subparagraph provide an assurance of a partnership among relevant education, child welfare, and homeless agencies or organizations; and

"(III) may determine any other requirements with respect to such grants (including the allocation, application, and use of fund requirements), which to the extent possible, shall be consistent with the requirements for States under this part, except that appropriate adjustments shall be made based on the needs and size of populations served by the Indian Tribe, consortium, Tribal organization, or territory applying for the grant.

"(B) RESERVATION FOR DEPARTMENT ACTIVITIES.—From the amount appropriated under subsection (h) for a fiscal year, the Secretary may reserve—

"(i) not more than 7 percent to—

"(I) provide technical assistance, in consultation with Secretary of Health and Human Services, to States carrying out activities under this section; and

"(II) complete the evaluations required by subsection (g)(1); and

"(ii) not more than 3 percent for administrative expenses.

"(C) ALLOCATIONS.—From the amount appropriated under subsection (h) for a fiscal year and remaining after the Secretary reserves funds under subparagraphs (A) and (B), the Secretary shall allocate to each State the greater of—

"(i) $500,000; or

"(ii) the amount that bears the same proportion to the remaining appropriated amount for such fiscal year as the number of foster youth and homeless youth in the State bears to the number of foster youth and homeless youth in all States.

"(D) RATABLE REDUCTION.—If the amount appropriated under subsection (h) for a fiscal year and remaining after the Secretary reserves funds under subparagraphs (A) and (B) is less than the amount required to be allocated to States under subparagraph (C), then the amount of the allocation to each State shall be ratably reduced.

"(2) STATE RESERVATION.—From the amounts awarded a State under paragraph (1)(C) for a fiscal year, the State may reserve not more than 5 percent for administrative expenses.

"(3) TEMPORARY INELIGIBILITY FOR SUBSEQUENT PAYMENTS.—

"(A) IN GENERAL.—The Secretary shall determine a State to be temporarily ineligible to receive a grant payment under this subsection for a fiscal year if—

"(i) the State fails to submit an annual report under subsection (f) for the preceding fiscal year; or

"(ii) the Secretary determines, based on information in such annual report, that the State is not effectively—

"(I) meeting the outcomes described in the application of such State under subsection (c)(2)(C), and does not have a plan to improve the outcomes;

"(II) monitoring and evaluating the activities under subsections (d) and (e); or

"(III) using funds as required under subsections (d) and (e).

"(B) REINSTATEMENT.—If the Secretary determines that a State is ineligible under subparagraph (A), the Secretary may enter into an agreement with the State setting forth the terms and conditions under which the State may regain eligibility to receive payments under this section.

"(c) APPLICATIONS.—

"(1) IN GENERAL.—For each fiscal year for which a State desires an allotment under subsection (b), the State shall submit an application to the Secretary at such time, in such manner, and containing the information described in paragraph (2).

"(2) INFORMATION REQUIRED.—An application submitted under paragraph (1) shall include the following:

"(A) A plan for how the State will carry out the activities under subsections (d) and (e).

"(B) A description of the State's capacity to carry out such activities.

"(C) A description of intended outcomes for such activities.

"(D) A plan for how the State will monitor and evaluate such activities, including how the State will use data to continually update and improve such activities.

"(E) A description of how students will be identified and recruited for participation in the Statewide transition initiative under subsection (d).

"(F) An estimate of the number and characteristics of the populations targeted for participation in the Statewide transition initiative under subsection (d) with attention to the diverse needs of homeless youth and foster youth in the State.

"(G) A description of how the State will coordinate services provided under the grant with services provided to foster youth and homeless youth under the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301 et seq.), the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.), and other services provided to foster youth and homeless youth by the State.

"(H) An assurance that the State will comply with subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.).

"(I) An assurance that the State will partner with State educational agencies, local educational agencies, institutions of higher education, State and local child welfare authorities, and other relevant organizations that serve foster youth or homeless youth.

"(J) An assurance that the State will submit the annual report required under subsection (f).

"(K) A budgetary analysis of the use of funds awarded under this section.

"(L) Such other information as the Secretary may require.

"(d) STATEWIDE TRANSITION INITIATIVE.—

"(1) USE OF FUNDS.—Subject to subsection (b)(2), and in consultation and coordination with the entities described in paragraph (2) of this subsection, a State receiving a grant award under this section shall use not less than 25 percent of the funds to—

"(A) provide intensive outreach and support to foster youth and homeless youth to—

"(i) improve the understanding and preparation of such youth for enrollment in institutions of higher education;

"(ii) increase the number of applications to institutions of higher education submitted by such youth; and

"(iii) increase the number of enrollments at institutions of higher education;

"(B) provide education to foster youth and homeless youth with respect to—

"(i) the benefits and opportunities of postsecondary education;

"(ii) planning for postsecondary education;

"(iii) financial aid opportunities that assist youth with covering the cost of attendance of an institution of higher education;

"(iv) the Federal and State services and benefits available to foster youth and homeless youth while enrolled at an institution of higher education, including health and mental health services;

"(v) career exploration; and

"(vi) financial literacy training, including security from identity theft;

"(C) assist foster youth and homeless youth with submitting applications for—

"(i) enrollment at an institution of higher education;

"(ii) financial aid for such enrollment; and

"(iii) scholarships available for such students, including under a State educational and training voucher program referred to in section 477(i) of the Social Security Act; and

"(D) provide free programming, which may include free transportation to and from such programming, for foster youth and homeless youth to prepare such individuals socially and academically for the rigors of postsecondary education during the summer before such individuals first attend an institution of higher education.

"(2) REQUIRED CONSULTATION AND COORDINATION.—In carrying out the activities described in paragraph (1), a State shall consult and coordinate with State educational agencies, local educational agencies, institutions of higher education, State and local child welfare authorities, and other relevant organizations that serve foster youth or homeless youth.

"(e) SUBGRANTS TO CREATE INSTITUTIONS OF EXCELLENCE.—

"(1) IN GENERAL.—Subject to the subsection (b)(2), a State receiving a grant under this section shall, acting through the administering State agency, use not less than 70 percent of the funds to award, on a competitive basis, subgrants to eligible institutions to enable such institutions to become institutions of excellence by improving college access, retention, and completion rates for foster and homeless youth as described in paragraph (3).

"(2) APPLICATION.—

"(A) IN GENERAL.—An eligible institution desiring a subgrant under this subsection shall submit an application to the State in which such eligible institution is located, at such time, in such manner, and containing such information as the State may require.

"(B) TECHNICAL ASSISTANCE.—States shall provide outreach and technical assistance to eligible institutions with respect to applications for subgrants under this subsection.

"(3) ACTIVITIES.—An eligible institution that receives a grant under this subsection shall use the grant funds to carry out the following activities with respect to homeless youth and foster youth:

"(A) Provide flexibility and assistance in completing the application process to enroll at such institution.

"(B) Coordinate programs with relevant on- and off-campus stakeholders to increase the enrollment of such youth at the institution and align services at the institution for such youth.

"(C) Adjust the cost of attendance for such youth at such eligible institution to include the cost of housing during periods of non-enrollment.

"(D) Provide institutional aid to such students to meet the cost of attendance that is not covered by other Federal or State educational grants.

"(E) Provide outreach to such students to ensure that such youth are aware of housing resources available during periods of non-enrollment.

"(F) Subsidize any fees for such students associated with orientation and offer free transportation to college orientation or move-in week.

"(G) Hire and provide training for at least one full-time staff at the eligible institution to serve as a point of contact to provide case management services and monthly face-to-face meetings with students who are foster youth or homeless youth. Such individual shall have an advanced degree and at least two years of relevant experience.

"(H) Establish or enhance campus support programs to provide such students with a wide-range of on-campus services including—

"(i) assistance with financial aid;

"(ii) career advice; and

"(iii) leadership development.

"(I) Ensure the availability of robust student health services (physical and mental) that meet the specific needs of foster youth and homeless youth.

"(J) Establish or expand early alert systems to identify and support such students who may be struggling academically.

"(K) For each such student with reasonable, unanticipated expenses that would not be covered by the institutional aid provided under subparagraph (D) and that would be necessary for the student to persist in college during an academic year, provide the student with access to an emergency grant to help cover such expenses.

"(L) Collect, review, and monitor data for program improvement.

"(4) RELIANCE ON INSTITUTIONAL AID.—Any institutional aid provided to a student under paragraph (3)(D) by an eligible institution during the grant period of the institution's grant under this section shall continue to be provided during the student's continuous enrollment at the institution, without regard to whether the grant period ends during such enrollment.

"(5) DEFINITIONS.—In this subsection:

"(A) ADMINISTERING STATE AGENCY.—The term 'administering State agency' means a State agency—

"(i) designated by the Governor or executive of the State to administer the subgrants under this subsection; and

"(ii) that, with respect to such State, has jurisdiction over—

"(I) foster youth;

"(II) homeless youth;

"(III) elementary and secondary education; or

"(IV) higher education.

"(B) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution of higher education—

"(i) that is in partnership with—

"(I) the State child welfare agency that is responsible for the administration of the State plan under part B or E of title IV of the Social Security Act (42 U.S.C. 621 et seq.; 670 et seq.); and

"(II) an organization that serves homeless youth (such as a youth shelter or outreach program); and

"(ii) that may partner with any other provider, agency, official, or entity that serves foster youth and homeless youth, or former foster youth and homeless youth.

"(f) STATE REPORTS.—For each year in which a State receives an allotment under subsection (b), the State shall prepare and submit a report to the Secretary that includes—

"(1) each activity or service that was carried out under this section;

"(2) the cost of providing each such activity or service;

"(3) the number of students who received each activity or service disaggregated by each subgroup of students described in subclauses (I) through (VI) of section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi));

"(4) using qualitative and quantitative analysis, how the State—

"(A) improved access to higher education for foster youth and homeless youth; and

"(B) measured youth satisfaction with activities carried out under this part;

"(5) an analysis of the implementation and progress of the Statewide transition initiative under subsection (d), including challenges and changes made to the initiative throughout the preceding year;

"(6) if, based on the analysis under paragraph (5), the State determines that the program is not on track to meet the intended outcomes described in the ap-

plication of the State under subsection (c)(2)(C), a description of how the State plans to meet such intended outcomes; and

"(7) information on the eligible institutions receiving subgrants, including how such institutions used subgrant funds to carry out the activities described in subsection (e)(3).

"(g) DEPARTMENT ACTIVITIES.—

"(1) EVALUATIONS.—Beginning on the date on which funds are first allotted under subsection (b), and annually thereafter, the Secretary shall evaluate recipients of allotments and subgrants under this section. The results of such evaluations shall be made publicly available on the website of the Department.

"(2) REPORT TO CONGRESS.—Not later than 1 year after the date on which funds are first allocated under subsection (b), and annually thereafter, the Secretary shall submit a report to Congress that includes—

"(A) the amount of each allotment under subsection (b);

"(B) the amount of each subgrant under subsection (e); and

"(C) with respect to the year for which such report is made, the results of the evaluations under paragraph (1).

"(h) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—Subject to paragraph (2), there are authorized to be appropriated to carry out this part $150,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

"(2) ADJUSTMENT FOR INFLATION.—

"(A) IN GENERAL.—The amount authorized to be appropriated under paragraph (1) for fiscal year 2022 and each of the 4 succeeding fiscal years shall be deemed increased by the annual adjustment percentage.

"(B) DEFINITION.—In this paragraph, the term 'annual adjustment percentage', as applied to a fiscal year, means the estimated percentage change in the Consumer Price Index (as determined by the Secretary, using the definition in section 478(f)) for the most recent calendar year ending before the beginning of that fiscal year.".

TITLE VIII—ADDITIONAL PROGRAMS

SEC. 8001. REPEALS.

Title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161a et seq.) is amended by repealing the following:

(1) Part A (20 U.S.C. 1161a).
(2) Parts C through E (20 U.S.C. 1161c et seq.).
(3) Parts H and I (20 U.S.C. 1161h et seq.).
(4) Parts K through P (20 U.S.C. 1161k et seq.).
(5) Part R (20 U.S.C. 1161r).
(6) Parts X through Z (20 U.S.C. 1161x et seq.).

SEC. 8002. RONALD V. DELLUMS MEMORIAL STEAM SCHOLARS PROGRAM.

Part B of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161b)—

(1) is redesignated as part A of such title; and
(2) is amended to read as follows:

"PART A—RONALD V. DELLUMS MEMORIAL STEAM SCHOLARS

"SEC. 801. RONALD V. DELLUMS MEMORIAL STEAM SCHOLARS PROGRAM.

"(a) PROGRAM AUTHORIZED.—

"(1) GRANTS FOR SCHOLARSHIPS.—The Secretary shall award grants under this section to institutions of higher education (as defined in section 101) to provide scholarships to eligible students for the purpose of enabling such students to enter into the STEAM workforce and increasing the number of underrepresented students in STEAM fields.

"(2) ELIGIBLE STUDENTS.—A student is eligible for a scholarship under this section if the student—

"(A) meets the requirements of section 484(a);

"(B) is an at least half-time student who has completed at least the first year of undergraduate study;

"(C) is enrolled in a program of undergraduate instruction leading to a bachelor's degree at the institution with a major in a STEAM field; and

"(D) has obtained a cumulative grade point average of at least a 3.0 (or the equivalent as determined under regulations prescribed by the Secretary) at the end of the most recently completed term.

"(3) PRIORITY FOR SCHOLARSHIPS.—The Secretary shall set a priority for awarding scholarships under this section for students agreeing to work after graduation in a STEAM field.

"(4) STUDENTS FROM MINORITY-SERVING INSTITUTIONS AND HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.—The Secretary shall ensure that not fewer than 50 percent of the scholarships awarded under this section are awarded to eligible students who attend historically Black colleges and universities and other minority-serving institutions, including Hispanic-serving institutions, Asian American and Native American Pacific Islander-serving institutions, American Indian Tribally controlled colleges and universities, Alaska Native and Native Hawaiian-serving institutions, Predominantly Black Institutions, and Native American-serving, Nontribal institutions.

"(5) AMOUNT AND DURATION OF SCHOLARSHIP.—Scholarship amounts awarded under this section shall not exceed—

"(A) $10,000 per student for an academic year; and

"(B) $40,000 per student in the aggregate.

"(b) MATCHING REQUIREMENT.—In order to receive a grant under this section, an institution of higher education shall provide matching funds for the scholarships awarded under this section in an amount equal to 25 percent of the Federal funds received.

"(c) APPLICATION.—An institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Each application shall include a description of how the institution will meet the matching requirement of subsection (b).

"(d) REPORTS.—Not later than 2 years after the date on which the first scholarship is awarded under this section, and each academic year thereafter, the Secretary shall submit to the Congress a report containing—

"(1) a description and analysis of the demographic information of students who receive scholarships under this section, including information with respect to such students regarding—

"(A) race;

"(B) ethnicity;

"(C) gender; and

"(D) eligibility to receive a Pell Grant;

"(2) the total number of underrepresented students in STEAM fields who obtain a degree with scholarship funds each year; and

"(3) an analysis of the effects of the program on the goals of increasing the number of underrepresented students in STEAM fields and the number of such students who enter into the STEAM workforce.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year 2021 and each of the five succeeding fiscal years.

"(f) DEFINITIONS.—For purposes of this section:

"(1) The term 'minority-serving institution' means an institution eligible to receive assistance under title III or V.

"(2) The term 'STEAM' means science, technology, engineering, arts, and mathematics.

"(3) The term 'underrepresented student in STEAM fields' means a student who is a member of a minority group for which the number of individuals in such group who annually receive bachelor's degrees in the STEAM fields per 10,000 individuals in such group is substantially less than the number of white, non-Hispanic individuals who annually receive bachelor's degrees in the STEAM fields per 10,000 such individuals.".

SEC. 8003. TEACH FOR AMERICA.

(a) REAUTHORIZATION.—Subparagraph (C) of section 806(f)(1) of the Higher Education Act of 1965 (20 U.S.C. 1161f(f)(1)) is amended to read as follows:

"(C) $30,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.".

(b) REDESIGNATION.—Part F of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161f) is redesignated as part B of such title.

SEC. 8004. PATSY T. MINK FELLOWSHIP PROGRAM.

(a) REAUTHORIZATION.—Subsection (f) of section 807 of the Higher Education Act of 1965 (20 U.S.C. 1161g) is amended to read as follows:

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.".

(b) REDESIGNATIONS.—

(1) PART.—Part G of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161g) is redesignated as part C of such title.

(2) SECTION.—Section 807 of the Higher Education Act of 1965 (20 U.S.C. 1161g), as amended by subsection (a), is redesignated as section 811.

SEC. 8005. IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON AMERICAN INDIAN, ALASKA NATIVE, AND NATIVE HAWAIIAN STUDENTS.

(a) IN GENERAL.—Section 819 of the Higher Education Act of 1965 (20 U.S.C. 1161j) is amended—

(1) in the section heading, by striking "**ALASKA NATIVE AND NATIVE HAWAIIAN**" and inserting "**NATIVE AMERICAN**";

(2) in subsection (a)(2), by striking "Alaska Natives and Native Hawaiians" and inserting "American Indians, Alaska Natives, Native Hawaiians and other Native American Pacific Islanders to enable them to succeed in these fields";

(3) in subsection (b)—

(A) by redesignating paragraphs (1), (2), (3), and (4), as paragraphs (2), (4), (5), and (6), respectively;

(B) by inserting before paragraph (2), as redesignated by subparagraph (A), the following:

"(1) NATIVE AMERICAN.—The term 'Native American' includes Alaska Natives, American Indians, Native Hawaiians and Native American Pacific Islanders."; and

(C) by inserting after paragraph (2), as redesignated by subparagraph (A), the following:

"(3) AMERICAN INDIAN.—The term 'American Indian' has the meaning given the term 'Indian' in section 202 of the Indian Land Consolidation Act (25 U.S.C. 2201).";

(4) in subsection (c)—

(A) by inserting "create or" after "to enable the eligible partnership to";

(B) by inserting "Native American" after "the development of"; and

(C) by striking ", including existing programs for Alaska Native and Native Hawaiian students";

(5) in subsection (d)—

(A) in paragraph (1), by striking "Alaska Native or Native Hawaiian students" and inserting "programs that serve Native American students";

(B) in paragraph (2), by striking "Alaska Native and Native Hawaiian students" and inserting "programs that serve Native American students"; and

(C) in paragraph (3), by striking "Alaska Native or Native Hawaiian students" and inserting "Native American students";

(6) in subsection (f), by striking "30 percent or more of the program participants are Alaska Native or Native Hawaiian" and inserting "30 percent or more of the program participants are Native American"; and

(7) in subsection (i), by striking "to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years" and inserting "$5,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years".

(b) REDESIGNATIONS.—

(1) PART.—Part J of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161j) is redesignated as part D of such title.

(2) SECTION.—Section 819 of the Higher Education Act of 1965 (20 U.S.C. 1161j), as amended by subsection (a), is redesignated as section 816.

SEC. 8006. GRANTS FOR RURAL-SERVING INSTITUTIONS OF HIGHER EDUCATION.

(a) REAUTHORIZATION.—Subsection (g) of section 861 of the Higher Education Act of 1965 (20 U.S.C. 1161q) is amended to read as follows:

"(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.".

(b) REDESIGNATIONS.—

(1) PART.—Part Q of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161q) is redesignated as part E of such title.

(2) SECTION.—Section 861 of the Higher Education Act of 1965 (20 U.S.C. 1161q), as amended by subsection (a), is redesignated as section 821.

SEC. 8007. TRAINING FOR REALTIME WRITERS TO PROVIDE CLOSED CAPTIONING AND COURT REPORTING SERVICES.

(a) REAUTHORIZATION.—Section 872(e) of the Higher Education Act of 1965 (20 U.S.C. 1161s(e)) is amended by striking "2009" and inserting "2021".

(b) REDESIGNATIONS.—

(1) PART.—Part S of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161s) is redesignated as part F of such title.

(2) SECTION.—Section 872 of the Higher Education Act of 1965 (20 U.S.C. 1161s), as amended by subsection (a), is redesignated as section 826.

SEC. 8008. GRANT PROGRAM TO ESTABLISH, MAINTAIN, AND IMPROVE VETERAN STUDENT CENTERS.

(a) IN GENERAL.—Part T of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161t)—

(1) is redesignated as part G of such title; and

(2) is amended to read as follows:

"PART G—GRANTS FOR VETERAN STUDENT CENTERS

"SEC. 831. GRANTS FOR VETERAN STUDENT CENTERS.

"(a) GRANTS AUTHORIZED.—Subject to the availability of appropriations under subsection (i), the Secretary shall award grants to institutions of higher education or consortia of institutions of higher education to assist in the establishment, maintenance, improvement, and operation of Veteran Student Centers. The Secretary shall award not more than 30 grants in a fiscal year under this section.

"(b) ELIGIBILITY.—

"(1) APPLICATION.—An institution or consortium seeking a grant under subsection (a) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

"(2) CRITERIA.—The Secretary may award a grant under subsection (a) to an institution or a consortium if the institution or consortium meets each of the following criteria:

"(A) The institution or consortium enrolls in undergraduate or graduate courses—

"(i) a significant number of veteran students, members of the Armed Forces serving on active duty, and members of a reserve component of the Armed Forces; or

"(ii) a significant percentage of veteran students, as measured by comparing the overall enrollment of the institution or consortium to the number, for the most recent academic year for which data are available, of veteran students, members of the Armed Forces serving on active duty, and members of a reserve component of the Armed Forces who are enrolled in undergraduate or graduate courses at the institution or consortium.

"(B) The institution or consortium presents a sustainability plan to demonstrate that the Veteran Student Center of such institution or consortium will be maintained and will continue operations upon conclusion of the grant period under subsection (a).

"(3) ADDITIONAL CRITERIA.—

"(A) MANDATORY CONSIDERATIONS.—In awarding grants under subsection (a), the Secretary shall consider institutions or consortia representing a broad spectrum of sectors and sizes, including institutions or consortia from urban, suburban, and rural regions of the United States.

"(B) DISCRETIONARY CRITERIA.—In awarding grants under subsection (a), the Secretary may provide consideration to institutions or consortia that meet one or more of the following criteria:

"(i) The institution or consortium is located in a region or community that has a significant population of veterans.

"(ii) The institution or consortium carries out programs or activities that assist veterans in the local community and the spouses of veteran students.

"(iii) The institution or consortium partners in its veteran-specific programming with nonprofit veteran service organizations, local workforce development organizations, or institutions of higher education.

"(iv) The institution or consortium commits to hiring staff at the Veteran Student Center that includes veterans (including veteran student volunteers and veteran students participating in a Federal work-study program under part C of title IV, a work-study program administered by the Secretary of Veteran Affairs, or a State work-study program).

"(v) The institution or consortium commits to using a portion of the grant received under this section to develop and implement an early-warning veteran student retention program designed to alert staff at the Veteran Student Center that a veteran student may be facing difficulties that could lead to the non-completion of the course of study of such veteran.

"(vi) The institution or consortium commits to providing mental health counseling to its veteran students and their spouses.

"(vii) The institution or consortium carries out programs or activities that assist individuals pursuing a course of education using educational assistance under chapter 31 of title 38, United States Code.

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—An institution or consortium that is awarded a grant under subsection (a) shall use such grant to establish, maintain, improve, or operate a Veteran Student Center.

"(2) OTHER ALLOWABLE USES.—An institution or consortium receiving a grant under subsection (a) may use a portion of such funds to carry out supportive instruction services for student veterans, including—

"(A) assistance with special admissions and transfer of credit from previous postsecondary education or experience; and

"(B) any other support services the institution or consortium determines to be necessary to ensure the success of veterans on campus in achieving education and career goals.

"(d) AMOUNTS AWARDED.—

"(1) DURATION.—Each grant awarded under subsection (a) shall be for a 4-year period.

"(2) TOTAL AMOUNT OF GRANT AND SCHEDULE.—Each grant awarded under subsection (a) may not exceed a total of $500,000. The Secretary shall disburse to an institution or consortium the amounts awarded under the grant in such amounts and at such times during the grant period as the Secretary determines appropriate.

"(e) REPORT.—From the amounts appropriated to carry out this section, and not later than 3 years after the date on which the first grant is awarded under subsection (a), the Secretary shall submit to Congress a report on the grant program established under subsection (a), including—

"(1) the number of grants awarded;

"(2) the institutions of higher education and consortia that have received grants;

"(3) with respect to each such institution of higher education and consortium—

"(A) the amounts awarded;

"(B) how such institution or consortium used such amounts;

"(C) a description of the students to whom services were offered as a result of the award; and

"(D) data enumerating whether the use of the amounts awarded helped veteran students at the institution or consortium toward completion of a degree, certificate, or credential;

"(4) best practices for veteran student success, identified by reviewing data provided by institutions and consortia that received a grant under this section; and

"(5) a determination by the Secretary with respect to whether the grant program under this section should be extended or expanded.

"(f) TERMINATION.—The authority of the Secretary to carry out the grant program established under subsection (a) shall terminate on the date that is 4 years after the date on which the first grant is awarded under subsection (a).

"(g) DEPARTMENT OF EDUCATION BEST PRACTICES WEBSITE.—Subject to the availability of appropriations under subsection (i) and not later than 3 years after the date on which the first grant is awarded under subsection (a), the Secretary shall develop and implement a website for veteran student services at institutions of higher education, which details best practices for serving veteran students at institutions of higher education.

"(h) DEFINITIONS.—In this section:

"(1) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101.

"(2) VETERAN STUDENT CENTER.—The term 'Veteran Student Center' means a dedicated space on a campus of an institution of higher education that provides students who are veterans or members of the Armed Forces with the following:

"(A) A lounge or meeting space for such veteran students, their spouses or partners, and veterans in the community.

"(B) A centralized office for veteran services that—

"(i) is a single point of contact to coordinate comprehensive support services for veteran students;

"(ii) is staffed by trained employees and volunteers, which includes veterans and at least one full-time employee or volunteer who is trained as a veterans' benefits counselor;

"(iii) provides veteran students with assistance relating to—

"(I) transitioning from the military to student life;

"(II) transitioning from the military to the civilian workforce;

"(III) networking with other veteran students and veterans in the community;

"(IV) understanding and obtaining benefits provided by the institution of higher education, Federal Government, and State for which such students may be eligible;

"(V) understanding how to succeed in the institution of higher education, including by understanding academic policies, the course selection process, and institutional policies and practices related to the transfer of academic credits; and

"(VI) understanding their disability-related rights and protections under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

"(iv) provides comprehensive academic and tutoring services for veteran students, including peer-to-peer tutoring and academic mentorship.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part $15,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.".

(b) CONTINUATION OF AWARDS.—An institution of higher education that received a grant under section 873 of the Higher Education Act of 1965 (20 U.S.C. 1161t) before the date of enactment of this Act, as such section 873 (20 U.S.C. 1161t) was in effect on the day before the date of enactment of this Act, shall continue to receive funds in accordance with the terms and conditions of such grant.

SEC. 8009. UNIVERSITY SUSTAINABILITY PROGRAM AMENDMENTS.

(a) IN GENERAL.—Section 881 of the Higher Education Act of 1965 (20 U.S.C. 1161u) is amended—

(1) in subsection (a)—

(A) by striking paragraph (1) and inserting:

"(1) IN GENERAL.—From the amounts appropriated to carry out this section, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall make grants to eligible entities to establish sustainability programs to design and implement the teaching and practice of sustainability, including in the areas of staff and faculty professional development, energy management, greenhouse gas emissions reductions, green building, waste management, transportation, resilience, green workforce, and other aspects of sustainability that integrate the local community with multidisciplinary academic programs and are applicable to the private and Government sectors."; and

(B) by striking paragraph (3)(B) and inserting:

"(B) a nonprofit consortium, association, alliance, or collaboration operating in partnership with more than one institution of higher education.";

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by inserting "in alignment with local community needs" after "following purposes";

(ii) in subparagraph (D)—

(I) by striking "establish" and inserting "scale established";

(II) by striking "purchasing, toxics management,"; and

(III) by inserting "resilience, green workforce," after "transportation,"; and

(iii) in subparagraph (G), by inserting "economics, law, political science," after "business,"; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking "of" and inserting "relating to"; and

(ii) in subparagraph (C), by inserting "city and State governments," after "business,";

(3) in subsection (e), by striking "$250,000 or more than $2,000,000" and inserting "$200,000 or more than $500,000"; and

(4) in subsection (f), by striking "2009" and inserting "2021".

(b) REDESIGNATIONS.—

(1) PART.—Part U of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161u) is redesignated as part H of such title.

(2) SECTION.—Section 881 of the Higher Education Act of 1965 (20 U.S.C. 1161u), as amended by subsection (a), is redesignated as section 836.

SEC. 8010. MODELING AND SIMULATION.

(a) REAUTHORIZATION.—Subsection (e) of section 891 of the Higher Education Act of 1965 (20 U.S.C. 1161v) is amended, in the matter preceding paragraph (1), by striking the first sentence and inserting the following: "There is authorized to be appropriated to carry out this section $75,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.".

(b) REDESIGNATIONS.—

(1) PART.—Part V of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161v) is redesignated as part I of such title.

(2) SECTION.—Section 891 of the Higher Education Act of 1965 (20 U.S.C. 1161v), as amended by subsection (a), is redesignated as section 841.

SEC. 8011. PATH TO SUCCESS.

(a) REAUTHORIZATION.—Section 892(g) of the Higher Education Act of 1965 (20 U.S.C. 1161w(g)) is amended by striking "2009" and inserting "2021".

(b) REDESIGNATIONS.—

(1) PART.—Part W of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161w) is redesignated as part J of such title.

(2) SECTION.—Section 892 of the Higher Education Act of 1965 (20 U.S.C. 1161w), as amended by subsection (a), is redesignated as section 846.

SEC. 8012. MANDATORY FUNDING FOR MASTERS AND POSTBACCALAUREATE PROGRAMS.

(a) MASTERS DEGREE PROGRAMS.—Section 897 of the Higher Education Act of 1965 (20 U.S.C. 1161aa) is amended by striking "$11,500,000 for fiscal year 2009 and for each of the five succeeding fiscal years" and inserting "$13,500,000 for fiscal year 2021 and each succeeding fiscal year".

(b) POSTBACCALAUREATE PROGRAMS.—Section 898 of the Higher Education Act of 1965 (20 U.S.C. 1161aa–1) is amended—

(1) by striking "In addition" and inserting "(a) ADDITIONAL APPROPRIATIONS FOR PART B OF TITLE V.—In addition";

(2) by striking "$11,500,000 for fiscal year 2009 and for each of the five succeeding fiscal years" and inserting "$21,000,000 for fiscal year 2021 and each succeeding fiscal year"; and

(3) by adding at the end the following:

"(b) ADDITIONAL APPROPRIATIONS FOR PART A OF TITLE VII.—In addition to any amounts appropriated under subpart 5 of part A of title VII, there are authorized to be appropriated, and there are appropriated, out of any funds in the Treasury not otherwise appropriated, $13,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years to carry out subpart 5 of part A of title VII.".

(c) REDESIGNATIONS.—

(1) PART.—Part AA of title VIII of the Higher Education Act of 1965 (20 U.S.C. 1161aa) is redesignated as part K of such title.

(2) SECTIONS.—Sections 897 and 898 of the Higher Education Act of 1965 (20 U.S.C. 1161aa et seq.), as amended by subsection (a), are redesignated as sections 851 and 852, respectively.

SEC. 8013. FUNDS FOR ACCESS TO OPEN EDUCATIONAL RESOURCES.

Title VIII (20 U.S.C. 1161a et seq.) of the Higher Education Act of 1965, as amended by the preceding provisions of this title, is further amended by adding at the end the following:

"PART L—ACCESS TO OPEN EDUCATIONAL RESOURCES

"SEC. 856. AFFORDABLE COLLEGE TEXTBOOKS.

"(a) GRANT PROGRAM.—

"(1) GRANTS AUTHORIZED.—From the amounts appropriated under paragraph (8), the Secretary shall make grants, on a competitive basis, to eligible entities to support projects that expand the use of high-quality open textbooks in order to achieve savings for students while improving instruction and student learning outcomes.

"(2) APPLICATIONS.—

"(A) IN GENERAL.—Each eligible entity desiring a grant under this subsection, after consultation with relevant faculty, shall submit an application

to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(B) CONTENTS.—Each application submitted under subparagraph (A) shall include—

"(i) a description of the proposed project to be completed with grant funds;

"(ii) a plan for promoting and tracking the use of open textbooks in postsecondary courses offered by the eligible entity, including an estimate of the projected savings that will be achieved for students through the use of such textbooks;

"(iii) a description of how the eligible entity will evaluate whether existing open educational resources could be used or adapted into open educational resources before creating new open educational resources;

"(iv) a plan for quality review (including peer review), review of accuracy, and review of accessibility of any open educational resources created or adapted through the grant;

"(v) a plan for assessing the impact of open textbooks on instruction and student learning outcomes at the eligible entity;

"(vi) a plan for disseminating information about the results of the project to institutions of higher education outside of the eligible entity, including promoting the adoption of any open textbooks created or adapted through the grant;

"(vii) a statement on consultation with relevant faculty, including those engaged in the creation of open educational resources, in the development of the application; and

"(viii) an assurance that open educational resources utilized, developed, or researched will be available in accessible formats, which may include braille, audio books, closed captioning, and audio descriptions.

"(3) SPECIAL CONSIDERATION.—In awarding grants under this section, the Secretary shall give special consideration to applications that demonstrate the greatest potential to—

"(A) achieve the highest level of savings for students through sustainable expanded use of high-quality open textbooks in postsecondary courses offered by the eligible entity;

"(B) achieve improvements in student learning and student outcomes;

"(C) expand the use of open textbooks at institutions of higher education outside of the eligible entity; and

"(D) produce—

"(i) the highest quality and most accessible open textbooks;

"(ii) open textbooks that can be most easily utilized and adapted by faculty members at institutions of higher education;

"(iii) open textbooks that correspond to the highest enrollment courses at institutions of higher education;

"(iv) open textbooks created or adapted in partnership with entities, including campus bookstores, that will assist in marketing and distribution of the open textbook; and

"(v) open textbooks that conform to accessibility standards under section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

"(4) USE OF FUNDS.—

"(A) MANDATORY USES OF FUNDS.—An eligible entity that receives a grant under this section shall use the grant funds to carry out the following activities to expand the use of open textbooks:

"(i) Professional development for any faculty and staff members at institutions of higher education, including the search for and review of open textbooks.

"(ii) Creation or adaptation of high-quality open educational resources that conform to accessibility standards under section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), especially open textbooks, and the quality assurance of such open educational resources.

"(iii) Development or improvement of tools and informational resources that support the use of open textbooks, including improving accessible instructional materials for students with disabilities that conform to accessibility standards under section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

"(iv) Research evaluating the efficacy of the use of open textbooks for achieving savings for students and the impact on instruction and student learning outcomes.

"(B) DISCRETIONARY USE OF FUNDS.—An eligible entity that receives a grant under this section may use grant funds to purchase or maintain elec-

tronic equipment necessary for the operation or use of digital open educational resources, including mobile computer devices and accompanying hardware, software applications, computer systems and platforms, and other digital and online services and support.

"(5) OPEN LICENSING REQUIREMENT.—

"(A) COPYRIGHT.—An eligible entity receiving a grant under this section may, with prior approval from the Secretary, assert a copyright in a copyrightable work first produced under the grant.

"(B) OPEN LICENSE REQUIREMENT.—

"(i) REQUIREMENT.—With respect to each copyrightable work first produced under the grant, except as provided in clause (ii), an eligible entity that asserts a copyright under subparagraph (A) shall provide to the public a non-exclusive, royalty-free, perpetual, irrevocable, worldwide license to carry out each exclusive right provided to that eligible entity under section 106 of title 17, United States Code.

"(ii) EXCEPTION.—With respect to a copyrightable work first produced under the grant that employs preexisting material, the requirement described under such subparagraph shall apply to such work to the extent that—

"(I) no copyright subsists in such preexisting material; or

"(II) the eligible entity is authorized to license such material in the manner described under such subparagraph.

"(C) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed as affecting the application of the requirements of chapter 18 of title 35, United States Code (commonly known as the 'Bayh-Dole Act').

"(D) COPYRIGHTABLE WORK DEFINED.—In this subsection, the term 'copyrightable work' means a work subject to protection under title 17, United States Code, but does not include a work that may be patentable or otherwise protectable under title 35, United States Code.

"(6) ACCESS AND DISTRIBUTION.—The full and complete digital content of each educational resource created or adapted under paragraph (5) shall be made available free of charge to the public—

"(A) on an easily accessible and interoperable website, which shall be identified to the Secretary by the eligible entity;

"(B) in a machine readable, digital format that anyone can directly download, edit with attribution, and redistribute; and

"(C) in a fully accessible format in compliance with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

"(7) REPORT.—Upon an eligible entity's completion of a project for which the eligible entity received a grant under this section, the eligible entity shall prepare and submit a report to the Secretary regarding—

"(A) the effectiveness of the project in expanding the use of high-quality open textbooks and in achieving savings for students;

"(B) the impact of the project on expanding the use of open textbooks at institutions of higher education outside of the eligible entity;

"(C) educational resources created or adapted under the grant, including instructions on where the public can access each educational resource under the terms of paragraphs (5) and (6);

"(D) information about the quality review process that was used to ensure quality and accuracy;

"(E) the impact of the project on instruction and student learning outcomes; and

"(F) all project costs, including the value of any volunteer labor and institutional capital used for the project.

"(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

"(b) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of College Affordability Act, the Secretary shall prepare and submit a report to authorizing committees detailing—

"(1) the high-quality open textbooks created or adapted under this section;

"(2) the adoption of such open textbooks;

"(3) the savings generated for students, States, territories, and the Federal Government through the use of open textbooks; and

"(4) the impact of open textbooks on instruction and student learning outcomes.

"(c) GAO REPORT.—Not later than 3 years after the date of enactment of College Affordability Act, the Comptroller General of the United States shall prepare and

submit a report to the authorizing committees on the cost of textbooks to students at institutions of higher education. The report shall include—

"(1) the change of the cost of textbooks between the date of the enactment of the College Affordability Act and the date of such report;

"(2) the factors that have contributed to such change in the cost of textbooks, including the impact of open textbooks on the cost;

"(3) the extent to which open textbooks are used at institutions of higher education compared to the use of open textbooks before the date of the enactment of this subsection;

"(4) how institutions are tracking the impact of open textbooks on instruction and student learning outcomes;

"(5) the availability of accessible forms of open textbooks and the barriers faced by students with disabilities in accessing accessible forms of open educational resources compared to the barriers faced in accessing traditional educational materials; and

"(6) the barriers faced by other student populations, including low-income students, in accessing high-quality open educational resources compared to the barriers faced in accessing traditional educational materials.

"(d) DEFINITIONS.—In this section:

"(1) EDUCATIONAL RESOURCE.—The term 'educational resource' means a print or digital educational material that can be used in postsecondary instruction, including textbooks and other written or audiovisual works.

"(2) ELIGIBLE ENTITY.—The term 'eligible entity' means an institution of higher education or a consortia of such institutions of higher education.

"(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101.

"(4) OPEN EDUCATIONAL RESOURCE.—The term 'open educational resource' means a print or digital educational resource that either resides in the public domain or has been released under an intellectual property license that permits its free use, reuse, modification, and sharing with others.

"(5) OPEN TEXTBOOK.—The term 'open textbook' means an open educational resource or set of open educational resources that either is a textbook or can be used in place of a textbook for a postsecondary course at an institution of higher education.

"(6) RELEVANT FACULTY.—The term 'relevant faculty' means both tenure track and contingent faculty members who may be involved in the creation of open educational resources or the use of open educational resources created as part of the grant application.".

SEC. 8014. ENCOURAGING CAMPUS COMPREHENSIVE MENTAL HEALTH AND SUICIDE PREVENTION PLANS.

Title VIII (20 U.S.C. 1161a et seq.) of the Higher Education Act of 1965, as amended by the preceding provisions of this title, is further amended by adding at the end the following:

"PART M—MENTAL HEALTH AND SUICIDE PREVENTION

"SEC. 861. ENCOURAGING CAMPUS COMPREHENSIVE MENTAL HEALTH AND SUICIDE PREVENTION PLANS.

"(a) IN GENERAL.—The Secretary shall make efforts to encourage institutions of higher education to develop and implement comprehensive campus mental health and suicide prevention plans. Such efforts—

"(1) shall be conducted in coordination with the Secretary of Health and Human Services (acting through the Administrator of the Substance Abuse and Mental Health Services Administration);

"(2) shall align with—

"(A) the efforts of the Suicide Prevention Resource Center, specifically the Center's model of nine strategies that form a comprehensive approach to suicide prevention;

"(B) the 21st Century Cures Act (42 U.S.C. 201 note); and

"(C) the programs authorized under the Garrett Lee Smith Memorial Act (42 U.S.C. 201 note; Public Law 108–355);

"(3) shall take into consideration existing State efforts to address mental health and suicide prevention at institutions of higher education; and

"(4) may be carried out in collaboration with nonprofit organizations and other experts and stakeholders in the field of campus mental health and suicide prevention.

"(b) REPORTS.—The Secretary, or a designee of the Secretary, shall report to Congress on the efforts of the Secretary carried out under this section—

"(1) not later than one year after the date of enactment of the College Affordability Act; and

"(2) three years after the date of enactment of such Act.

"(c) CONSTRUCTION.—Nothing in this section shall be construed as creating new statutory requirements for institutions of higher education or granting the Secretary new regulatory authority.".

TITLE IX—DIRECTIVES TO THE SECRETARY OF EDUCATION

SEC. 9001. PROVIDING THAT THE SECRETARY OF EDUCATION MAY NOT ISSUE OR ENFORCE CERTAIN RULES THAT WEAKEN THE ENFORCEMENT OF THE PROHIBITION OF SEX DISCRIMINATION APPLICABLE UNDER TITLE IX OF THE EDUCATION AMENDMENTS OF 1972.

The Secretary of Education may not—

(1) take any action to implement, enforce, or otherwise give effect to the proposed amendments to regulations relating to the enforcement of title IX of the Education Amendments of 1972, published on November 29, 2018, under the heading "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance" (83 Fed. Reg. 61462); or

(2) propose or issue any rule that is in substantially the same form or substantially the same as any of such proposed amendments.

SEC. 9002. STUDY AND REPORT ON SINGLE CERTIFICATION FORM.

(a) STUDY.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Education shall conduct a study on the feasibility of developing a single certification form that borrowers may use to electronically submit information with respect to—

(1) TEACH Grants under subpart 9 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070g et seq.);

(2) loan forgiveness under section 428J of the Higher Education Act of 1965 (20 U.S.C. 1078–10);

(3) loan cancellation under section 460 of the Higher Education Act of 1965 (20 U.S.C. 1087j); and

(4) public service loan forgiveness under section 455(m) of the Higher Education Act of 1965 (20 U.S.C. 1087e(m)).

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Education shall submit a report to Congress that includes—

(1) the results of the study required under subsection (a); and

(2) recommendations with respect to using a single certification form that borrowers may use to electronically submit information with respect to the programs specified in paragraphs (1) through (4) of such subsection.

SEC. 9003. LONGITUDINAL STUDY ON THE EFFECTIVENESS OF STUDENT LOAN COUNSELING.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Education, acting through the Director of the Institute of Education Sciences, shall begin conducting a rigorous, longitudinal study of the impact and effectiveness of the student loan counseling—

(1) provided under subsections (b), (l), and (n) of section 485 of the Higher Education Act of 1965 (20 U.S.C. 1092), as amended by this Act; and

(2) provided through such other means as the Secretary of Education may determine.

(b) CONTENTS.—

(1) BORROWER INFORMATION.—The longitudinal study carried out under subsection (a) shall include borrower information, in the aggregate and disaggregated by race, ethnicity, gender, income, status as an individual with a disability, and status as a first generation college student (defined in section 402A(h)(3)), on—

(A) student persistence;

(B) degree attainment;

(C) program completion;

(D) successful entry into student loan repayment;

(E) cumulative borrowing levels; and

(F) such other factors as the Secretary of Education may determine.

(2) EXCEPTION.—The disaggregation under paragraph (1) shall not be required in a case in which the number of borrowers in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual borrower.

(c) INTERIM REPORTS.—Not later than 18 months after the commencement of the study under subsection (a), and annually thereafter, the Secretary of Education shall evaluate the progress of the study and report any short-term findings to the appropriate committees of Congress.

SEC. 9004. STUDY AND PROCEDURES ON DETERMINING FAMILY SIZE.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Education shall—

(1) conduct, in consultation with the Secretary of the Treasury, a study which meets the specifications described in subsection (b), on the effect of using data from the Internal Revenue Service on the deduction for personal exemptions provided by section 151 of the Internal Revenue Code of 1986 for a proxy for family size in an income-driven repayment plan, and publish such study in the Federal Register;

(2) use the results of the study conducted under paragraph (1) to develop procedures for determining family size for the automatic recertification of income for an income-driven repayment plan in a manner that minimizes burdens and unintended harm to borrowers;

(3) publish the procedures developed under paragraph (2) in the Federal Register; and

(4) after a notice and comment period on such procedures, use such comments to finalize the procedures.

(b) SPECIFICATIONS.—The study conducted under subsection (a)(1) shall—

(1) determine how closely such personal exemptions match the family size that borrowers report on their income-driven repayment plan request form;

(2) compare the borrower's actual monthly payment amount with the monthly payment amount borrowers would have using family size information derived from tax returns; and

(3) use data from more than one year, where possible, to analyze how much family size changes over time.

(c) DEFINITION.—The term "the income-driven repayment plan" means a plan described in subparagraph (D) or (E) of section 455(d)(1) of the Higher Education Act of 1965 (20 U.S.C. 1087e(d)(1)) and the income-based repayment plan under section 493C(f) of such Act (20 U.S.C. 1098e(f)), as added by section 4631(c) of this Act.

SEC. 9005. UNIVERSAL UNIQUE NUMERIC DATA IDENTIFIER.

(a) ASSIGNMENT OF UNIQUE NUMERIC IDENTIFIER REQUIRED.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Education shall assign a unique numeric identifier to at least each campus of each institution of higher education that participates in a program under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) to be used for reporting and disaggregating data for the purposes of the following:

(1) Surveys conducted as a part of the Integrated Postsecondary Education Data System (IPEDS) or any other Federal postsecondary institution data collection effort, as completed in accordance with section 487(a)(17) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(17)).

(2) Reports required to be filed under section 485(f) of the Higher Education Act of 1965 (20 U.S.C. 1092(f)).

(3) The electronic exchange of data under section 485B of the Higher Education Act of 1965 (20 U.S.C. 1092b).

(4) Determinations under section 496 of the Higher Education Act of 1965 (20 U.S.C. 1099b).

(5) Reports filed on the College Scorecard website of the Department of Education (or any successor website).

(6) Reports filed on the College Navigator website (as defined in section 132 of the Higher Education Act of 1965 (20 U.S.C. 1015a)).

(7) Data submitted to the postsecondary student data system established under section 132(l) of the Higher Education Act of 1965 (20 U.S.C. 1015a(l)), as added by section 1022 of this Act.

(8) To the extent determined to be appropriate by the Secretary, any other data systems of the Department of Education that include information on institutions of higher education.

(b) CONSIDERATIONS.—In carrying out subsection (a), the Secretary of Education shall—

(1) consider the ability to use the unique numeric identifier assigned under such subsection to—

(A) disaggregate institutions of higher education by corporate ownership;

(B) identify an institution of higher education with more than one campus; and

(C) in the case of institutions of higher education described in subparagraph (B), distinguish between a campus with a specific location and a distance education program;

(2) account for interactions of the unique numeric identifier with requirements under title IV of the Higher Education Act (20 U.S.C. 1070 et seq.), including by preventing institutional attempts to evade such requirements by changing the unique numeric identifiers associated with the campuses of the institution;

(3) to the extent practicable, minimize the paperwork burden on institutions of higher education;

(4) create and make public a crosswalk indicating changes in the unique numeric identifiers assigned by the Secretary to each campus under subsection (a) and the numeric identifiers used by the Department of Education prior to the date on which the Secretary assigns each campus a unique numeric identifier; and

(5) annually create and make public an updated crosswalk indicating changes in unique numeric identifiers assigned to campuses, including changes that result from the establishment of new locations, the closing of campuses, and changes in ownership and affiliation.

SEC. 9006. QUESTIONS ON FOOD AND HOUSING INSECURITY IN NATIONAL POSTSECONDARY STUDENT AID STUDY.

For purposes of each National Postsecondary Student Aid Study conducted after the date of enactment of this Act, the Secretary of Education shall include questions that measure rates of food and housing insecurity in the National Postsecondary Student Aid Study.

SEC. 9007. DISAGGREGATION OF DATA USING RACIAL GROUPS.

(a) STUDY REQUIRED.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Education shall carry out a study on the feasibility of disaggregating data reported under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) to the Secretary of Education using the racial groups identified by the American Community Survey of the Bureau of the Census.

(b) ELEMENTS.—The study required by subsection (a) shall, with respect to the data described in such subsection—

(1) survey each method by which such data reported to the Secretary of Education is disaggregated by race;

(2) survey each method by which the Secretary of Education disaggregates such data by race; and

(3) in the case of such data that are reported to the Secretary of Education and are not disaggregated by race using the racial groups identified by the American Community Survey of the Bureau of the Census, examine the feasibility of disaggregating such data using such racial groups while protecting student privacy.

(c) BEST PRACTICES.—Not later than 6 months after the completion of the study required under subsection (a), the Secretary of Education shall issue best practices with respect to disaggregating data reported to the Secretary of Education using the racial groups identified by the American Community Survey of the Bureau of the Census.

SEC. 9008. DISAGGREGATION OF DATA BY SEXUAL ORIENTATION AND GENDER IDENTITY.

(a) STUDY REQUIRED.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Education shall carry out a study on the options for disaggregating data reported under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) to the Secretary of Education by sexual orientation and gender identity.

(b) ELEMENTS.—The study required by subsection (a) shall—

(1) survey the methods by which institutions of higher education (as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002) collect, report, and use data on sexual orientation and gender identity;

(2) survey each method by which the Secretary of Education disaggregates data by sexual orientation and gender identity;

(3) survey the methods by which the Secretary of Education disaggregates data for other similarly-sized populations; and

(4) identify options for disaggregating data reported under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) by sexual orientation and gender identity while protecting student privacy.

(c) BEST PRACTICES.—Not later than 6 months after the completion of the study required under subsection (a), the Secretary of Education shall issue best practices

with respect to disaggregating data reported to the Secretary of Education by sexual orientation and gender identity.

SEC. 9009. ACCESSIBLE INSTRUCTIONAL MATERIALS AND TECHNOLOGY.

(a) ESTABLISHMENT OF COMMISSION.—The Speaker of the House of Representatives, the President pro tempore of the Senate, and the Secretary of Education shall establish an independent commission, comprised of key stakeholders, to develop guidelines for accessible postsecondary electronic instructional materials and related technologies in order—

(1) to ensure students with disabilities are afforded the same educational benefits provided to students without disabilities through the use of electronic instructional materials and related technologies;

(2) to improve the selection and use of such materials and technologies at institutions of higher education; and

(3) to encourage entities that produce such materials and technologies to make accessible versions more readily available in the market.

(b) REVIEW.—In carrying out subsection (a), the commission shall—

(1) review applicable information technology accessibility standards; and

(2) compile and annotate such accessibility standards as an additional information resource for institutions of higher education and companies that service the higher education market.

(c) MEMBERSHIP.—

(1) STAKEHOLDER GROUPS.—The commission shall be composed of representatives from the following categories:

(A) Communities of persons with disabilities for whom the accessibility of postsecondary electronic instructional materials and related technologies is a significant factor in ensuring equal participation in higher education, and nonprofit organizations that provide accessible electronic materials to these communities.

(B) Higher education leadership, including institution of higher education presidents, provosts, deans, vice presidents or deans of libraries, chief information officers, and other senior institutional executives.

(C) Developers of postsecondary electronic instructional materials and manufacturers of related technologies.

(2) APPOINTMENT OF MEMBERS.—The commission members shall be appointed as follows:

(A) 6 members, 2 from each category described in paragraph (1), shall be appointed by the Speaker of the House of Representatives, 3 of whom shall be appointed on the recommendation of the majority leader of the House of Representatives and 3 of whom shall be appointed on the recommendation of the minority leader of the House of Representatives, with the Speaker ensuring that 1 developer of postsecondary electronic instructional materials and 1 manufacturer of related technologies are appointed. The Speaker shall also appoint 2 additional members, 1 student with a disability and 1 faculty member from an institution of higher education.

(B) 6 members, 2 from each category described in paragraph (1), shall be appointed by the President pro tempore of the Senate, 3 of whom shall be appointed on the recommendation of the majority leader of the Senate and 3 of whom shall be appointed on the recommendation of the minority leader of the Senate, with the President pro tempore ensuring that 1 developer of postsecondary electronic instructional materials and 1 manufacturer of related technologies are appointed. The President pro tempore shall also appoint 2 additional members, 1 student with a disability and 1 faculty member from an institution of higher education.

(C) 3 members, each of whom must possess extensive, demonstrated technical expertise in the development and implementation of accessible postsecondary electronic instructional materials, shall be appointed by the Secretary of Education. 1 of these members shall represent postsecondary students with disabilities, 1 shall represent higher education leadership, and 1 shall represent developers of postsecondary electronic instructional materials.

(3) ELIGIBILITY TO SERVE AS A MEMBER.—Federal employees are ineligible for appointment to the commission. An appointee to a volunteer or advisory position with a Federal agency or related advisory body may be appointed to the commission so long as his or her primary employment is with a non-Federal entity and he or she is not otherwise engaged in financially compensated work on behalf of the Federal Government, exclusive of any standard expense reimbursement or grant-funded activities.

(d) AUTHORITY AND ADMINISTRATION.—

(1) AUTHORITY.—The commission's execution of its duties shall be independent of the Secretary of Education, the Attorney General, and the head of any other agency or department of the Federal Government with regulatory or standard setting authority in the areas addressed by the commission.

(2) ADMINISTRATION.—

(A) STAFFING.—There shall be no permanent staffing for the commission.

(B) LEADERSHIP.—Commission members shall elect a chairperson from among the appointees to the commission.

(C) ADMINISTRATIVE SUPPORT.—The Commission shall be provided administrative support, as needed, by the Secretary of Education through the Office of Postsecondary Education of the Department of Education.

(e) DUTIES.—

(1) GUIDELINES.—Not later than 18 months after the date of enactment of this Act, subject to a 6-month extension that it may exercise at its discretion, the commission shall—

(A) develop and issue guidelines for accessible postsecondary electronic instructional materials, and related technologies; and

(B) in developing the guidelines, the commission shall—

(i) establish a technical panel pursuant to paragraph (4) to support the commission in developing the guidelines;

(ii) develop criteria for determining which materials and technologies constitute postsecondary electronic instructional materials and related technologies;

(iii) identify existing national and international accessibility standards that are relevant to student use of postsecondary electronic instructional materials and related technologies at institutions of higher education;

(iv) identify and address any unique pedagogical and accessibility requirements of postsecondary electronic instructional materials and related technologies that are not addressed, or not adequately addressed, by the identified, relevant existing accessibility standards;

(v) identify those aspects of accessibility, and types of postsecondary instructional materials and related technologies, for which the commission cannot produce guidelines or which cannot be addressed by existing accessibility standards due to—

(I) inherent limitations of commercially available technologies; or

(II) the challenges posed by a specific category of disability that covers a wide spectrum of impairments and capabilities which makes it difficult to assess the benefits from particular guidelines on a categorical basis;

(vi) ensure that the guidelines are consistent with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131 et seq.; 42 U.S.C. 12181 et seq.);

(vii) ensure that the guidelines are consistent, to the extent feasible and appropriate, with the technical and functional performance criteria included in the national and international accessibility standards identified by the commission as relevant to student use of postsecondary electronic instructional materials and related technologies;

(viii) allow for the use of an alternative design or technology that results in substantially equivalent or greater accessibility and usability by individuals with disabilities than would be provided by compliance with the guidelines; and

(ix) provide that where electronic instructional materials, or related technologies, that comply fully with the guidelines are not commercially available, or where such compliance is not technically feasible, the institution may select the product that best meets the guidelines consistent with the institution's business and pedagogical needs.

(2) ANNOTATED LIST OF INFORMATION TECHNOLOGY STANDARDS.—Not later than 18 months after the date of the enactment of this Act, subject to a 6-month extension that it may exercise at its discretion, the commission established in section 2 shall, with the assistance of the technical panel established under paragraph (4), develop and issue an annotated list of information technology standards.

(3) APPROVAL.—Issuance of the guidelines and annotated list of information technology standards shall require approval of at least 75 percent of the members of the commission.

(4) TECHNICAL PANEL.—Not later than 1 month after first meeting, the Commission shall appoint and convene a panel of 12 technical experts, each of whom

shall have extensive, demonstrated technical experience in developing, researching, or implementing accessible postsecondary electronic instructional materials, or related technologies. The commission has discretion to determine a process for nominating, vetting, and confirming a panel of experts that fairly represents the stakeholder communities on the commission. The technical panel shall include a representative from the United States Access Board.

(f) REVIEW OF GUIDELINES.—Not later than 5 years after issuance of the guidelines and annotated list of information technology standards described in subsections (a) and (b), and every 5 years thereafter, the Secretary of Education shall publish a notice in the Federal Register requesting public comment about whether there is a need to reconstitute the commission to update the guidelines and annotated list of information technology standards to reflect technological advances, changes in postsecondary electronic instructional materials and related technologies, or updated national and international accessibility standards. The Secretary shall then submit a report and recommendation to Congress regarding whether the Commission should be reconstituted.

(g) RULE OF APPLICATION.—

(1) NONCONFORMING POSTSECONDARY ELECTRONIC INSTRUCTIONAL MATERIALS OR RELATED TECHNOLOGIES.—Nothing in this section shall be construed to require an institution of higher education to require, provide, or both recommend and provide, postsecondary electronic instructional materials or related technologies that conform to the guidelines. However, an institution that selects or uses nonconforming postsecondary electronic instructional materials or related technologies must otherwise comply with existing obligations under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131 et seq.; 42 U.S.C. 12181 et seq.) to provide access to the educational benefit afforded by such materials and technologies through provision of appropriate and reasonable modification, accommodation, and auxiliary aids or services.

(2) RELATIONSHIP TO EXISTING LAWS AND REGULATIONS.—With respect to the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), nothing in this Act may be construed—

(A) to authorize or require conduct prohibited under the Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973, including the regulations issued pursuant to those laws;

(B) to expand, limit, or alter the remedies or defenses under the Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973;

(C) to supersede, restrict, or limit the application of the Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973; or

(D) to limit the authority of Federal agencies to issue regulations pursuant to the Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973.

(h) DEFINITIONS.—In this section:

(1) ANNOTATED LIST OF INFORMATION TECHNOLOGY STANDARDS.—The term "annotated list of information technology standards" means a list of existing national and international accessibility standards relevant to student use of postsecondary electronic instructional materials and related technologies, and to other types of information technology common to institutions of higher education, such as institutional websites or registration systems, annotated by the commission established pursuant to this section. The annotated list of information technology standards is intended to serve solely as a reference tool to inform any consideration of the relevance of such standards in higher education contexts.

(2) POSTSECONDARY ELECTRONIC INSTRUCTIONAL MATERIALS.—The term "postsecondary electronic instructional materials" means digital curricular content that is required, provided, or both recommended and provided by an institution of higher education for use in a postsecondary instructional program.

(3) RELATED TECHNOLOGIES.—The term "related technologies" refers to any software, applications, learning management or content management systems, and hardware that an institution of higher education requires, provides, or both recommends and provides for student access to and use of postsecondary electronic instructional materials in a postsecondary instructional program.

(4) TECHNICAL PANEL.—The term "technical panel" means a group of experts with extensive, demonstrated technical experience in the development and implementation of accessibility features for postsecondary electronic instructional materials and related technologies, established by the Commission pursuant to subsection (e)(4), which will assist the commission in the development of the

guidelines and annotated list of information technology standards authorized under this section.

SEC. 9010. SERVING AND SUPPORTING STUDENTS WITH MENTAL HEALTH DISABILITIES IN INSTITUTIONS OF HIGHER EDUCATION.

(a) FINDINGS AND PURPOSES.—

(1) FINDINGS.—Congress finds the following:

(A) More than 75 percent of mental health conditions begin before the age of 24.

(B) More than 25 percent of students between the ages of 18 and 24 reported a mental health concern.

(C) More than 50 percent of students between the ages of 18 and 24 reported having a severe psychological problem.

(D) More than 50 percent of students between the ages of 18 and 24 reported feelings of hopelessness.

(E) Higher education counseling centers are devoting more time to rapid-response treatment with more than 25 percent of students who sought help reporting they had intentionally hurt themselves.

(F) Over a 5-year period, counseling center utilization increased by an average of 30 to 40 percent, while enrollment increased by only 5 percent, forcing institutions to stretch mental health services to more students without increasing resources.

(2) PURPOSES.—The purposes of this section are the following:

(A) To ensure States and institutions of higher education are provided with accurate information on the mental health concerns facing students.

(B) To provide detailed recommendations that institutions of higher education, States, and the Federal Government can take to improve the mental health services available to students and properly treat the rising number of students with mental health issues.

(b) ADVISORY COMMISSION ON SERVING AND SUPPORTING STUDENTS WITH MENTAL HEALTH DISABILITIES IN INSTITUTIONS OF HIGHER EDUCATION.—

(1) IN GENERAL.—The Secretary of Education shall establish a commission to be known as the Advisory Commission on Serving and Supporting Students with Mental Health Disabilities in Institutions of Higher Education (referred to in this section as the "Commission").

(2) MEMBERSHIP.—

(A) TOTAL NUMBER OF MEMBERS.—The Commission shall include not more than 20 members, who shall be appointed by the Secretary of Education in accordance with subparagraphs (B) and (C).

(B) MEMBERS OF THE COMMISSION.—The Commission shall include 1 representative from each of the following:

(i) The Office of Postsecondary Education of the Department of Education.

(ii) The Office of Special Education and Rehabilitation Services of the Department of Education.

(iii) The Office of Civil Rights of the Department of Education.

(iv) The Office of Civil Rights of the Department of Justice.

(v) The National Council on Disability.

(vi) A membership association for administrative and personnel professionals focused on creating an inclusive higher education environment for individuals with disabilities, as determined by the Secretary.

(vii) An organization that represents the Protection and Advocacy for Individuals with Mental Illness program, as determined by the Secretary.

(viii) An organization operated by and representing secondary and postsecondary education students with mental health disabilities advocating for mental health services and suicide prevention.

(ix) An organization representing college and university counseling directors.

(C) ADDITIONAL MEMBERS OF THE COMMISSION.—In addition to the members included under subparagraph (B), the Commission shall include the following:

(i) Four members from leadership of institutions of higher education who have demonstrated experience in successfully supporting the retention and graduation of students with mental health disabilities, including from counseling and psychiatric services staff. With respect to such 4 members, 1 member shall be a staff member of a 2-year degree-granting institution of higher education, 1 member shall be a staff member from a 4-year degree-granting institution of higher education, 1 member shall be a member of campus law enforcement, and 1 mem-

ber shall serve as a general counsel. Such 4 members shall represent institutions of differing sizes.

(ii) Three members from family members of individuals who are—

(I) enrolled in an institution of higher education on the date such family member is appointed to the Commission; or

(II) former students with a mental health disability.

(iii) Four members from individuals with mental health disabilities, including not less than 2 individuals enrolled in an institution of higher education on the date of appointment to the Commission. Any remaining member shall be an individual with a mental health disability who has attended an institution of higher education.

(D) TIMING.—The Secretary of Education shall establish the Commission and appoint the members of the Commission not later than 60 days after the date of enactment of this Act.

(3) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall select a chairperson and vice chairperson from among the members of the Commission. Either the chairperson or the vice chairperson shall be a student or former student with a mental health disability.

(4) MEETINGS.—

(A) IN GENERAL.—The Commission shall meet at the call of the chairperson, but not less often than 8 times.

(B) FIRST MEETING.—Not later than 60 days after the appointment of the members of the Commission under paragraph (2), the Commission shall hold the Commission's first meeting.

(5) DUTIES.—The Commission shall conduct a study, using the highest quality and most representative data and research available, and prepare a report for the Secretary of Education that includes the following:

(A) Findings from stakeholders, including through solicitation of public testimony, related to the challenges faced by students with mental health disabilities in institutions of higher education, including—

(i) the services available to students with mental health disabilities in institutions of higher education and their effectiveness in supporting these students;

(ii) the impact of policies and procedures that help or hinder the goal of providing equal opportunity for students with mental health disabilities, such as reasonable accommodation policies, mandatory and voluntary leave policies, and disciplinary policies;

(iii) the use of protected health information of students with mental health disabilities by institutions of higher education, including the extent to which campus-based mental health providers share this information with college or university officials without student consent; and

(iv) the impact of providing mental health services on a student's academic performance, well-being, and ability to complete college.

(B) Conclusions on the major challenges facing students with mental health disabilities in institutions of higher education.

(C) Recommendations to improve the overall education, and retention and graduation rates, of students with mental health disabilities in institutions of higher education, with the goal of helping these students access educational opportunities equal to those of their peers without disabilities.

(6) COMMISSION PERSONNEL MATTERS.—

(A) TRAVEL EXPENSES.—The members of the Commission shall not receive compensation for the performance of services for the Commission, but shall be allowed reasonable travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission. Notwithstanding section 1342 of title 31, United States Code, the Secretary of Education may accept the voluntary and uncompensated services of members of the Commission.

(B) STAFF.—The Secretary of Education may designate such personnel as may be necessary to enable the Commission to perform its duties.

(C) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee, with the approval of the head of the appropriate Federal agency, may be detailed to the Commission without reimbursement, and such detail shall be without interruption of loss of civil service status or privilege.

(D) FACILITIES, EQUIPMENT, AND SERVICES.—The Secretary of Education shall make available to the Commission, under such arrangements as may be appropriate, necessary equipment, supplies, and services.

(7) REPORTS.—

(A) INTERIM AND FINAL REPORTS.—The Commission shall prepare and submit to the Secretary of Education, as well as the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives—

(i) an interim report that summarizes the progress of the Commission, along with any interim findings, conclusions, and recommendations as described in paragraph (5); and

(ii) a final report that states final findings, conclusions, and recommendations as described in such paragraph.

(B) PREPARATION AND SUBMISSION.—The reports described in subparagraph (A) shall be prepared and submitted—

(i) in the case of the interim report, not later than 1 year after the date on which all the members of the Commission are appointed; and

(ii) in the case of the final report, not later than 2 years after the date on which all the members of the Commission are appointed.

(8) TERMINATION.—The Commission shall terminate on the day after the date on which the Commission submits the final report under paragraph (7).

(c) GAO STUDY.—The Comptroller General of the United States shall submit to Congress a report that examines the challenges faced by students with mental health disabilities in institutions of higher education, including—

(1) the services available to students with mental health disabilities in institutions of higher education and what is known about their effectiveness in supporting these students;

(2) the impact of policies and procedures that help or hinder the goal of providing equal opportunity for students with mental health disabilities, such as reasonable accommodation policies, mandatory and voluntary leave policies, and disciplinary policies;

(3) the use of protected health information of students with mental health disabilities by institutions of higher education, including campus-based mental health providers sharing this information with college or university officials without student consent;

(4) the impact of providing mental health services on a student's academic performance, well-being, and ability to complete college;

(5) information on the major challenges facing students with mental health disabilities in institutions of higher education; and

(6) recommendations to improve the overall education, and retention and graduation rates, of students with mental health disabilities in institutions of higher education, with the goal of helping these students access educational opportunities equal to those of their peers without disabilities.

SEC. 9011. FEDERAL STUDENT LOAN CANCELLATION COMMISSION.

(a) PURPOSE.—The purpose of this section is to establish a commission to study—

(1) the impact of Federal student loan debt on the short- and long-term socioeconomic outcomes of—

(A) individual borrowers; and

(B) regional and national economies;

(2) the feasibility of canceling Federal student loan debt; and

(3) the benefits of any such cancellation.

(b) ESTABLISHMENT.—There is established the Commission on Federal Student Loan Cancellation (hereinafter in this section referred to as the "Commission").

(c) DUTIES.—The Commission shall perform the following duties:

(1) Study the decline in State investment in, and the attendant rise in debt financing for, higher education from 1965 to the date of enactment of this Act.

(2) Identify, compile, and synthesize the relevant corpus of evidentiary documentation on Federal student loans and the impact of those loans on borrowers, disaggregated by—

(A) Pell Grant recipient status;

(B) race or ethnicity (in accordance with section 153(a)(3)(B) of the Education Sciences Reform Act (20 U.S.C. 9543(a)(3)(B)), as amended by section 10401 of this Act);

(C) completion and non-completion of each category of educational programs (as defined in section 435(a)(9)(E) of the Higher Education Act of 1965, as added by section 4110(a)(1)(B) of this Act); and

(D) post-graduation employment information.

(3) Analyze evidentiary data on the following relationships:

(A) The macroeconomic impacts of partial and total student debt cancellation.

(B) The impact of student loan default on long-term financial success and security.

(C) The impact of partial and total student debt cancellation on income inequality, including the racial wealth gap.

(D) The impact of the income inequality and the racial wealth gap on student debt repayment.

(4) Study proposals to cancel Federal student loan debt in consideration of the Commission's findings under paragraph (3).

(5) Study the feasibility of establishing a Federal student loan cancellation program.

(d) REPORT.—

(1) IN GENERAL.—Not later than 24 months after the date on which the last member of the Commission is appointed, the Commission shall submit to the Congress a report containing the data collected and analyzed under paragraphs (1) through (3) of subsection (c) and recommendations to create a Federal student loan cancellation program in consideration of the Commission's findings under subsection (c)(3).

(2) SPECIFIC QUESTIONS.—In making recommendations under paragraph (1), the Commission shall address, among other issues, the following:

(A) Whether any borrowers should be prioritized in loan cancellation and a rationale for any such prioritization.

(B) How such recommendations and the proposed loan cancellation program take into consideration the wealth disparities faced by racial groups.

(C) How the proposed cancellation program interacts with existing student loan cancellation programs and policies.

(D) How the proposed cancellation program protects future students from facing the same debt burden.

(E) How the proposed cancellation program should be funded and implemented.

(e) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 13 members, who shall be appointed, not later 180 days after the date of enactment of this Act, as follows:

(A) One member shall be appointed by the President.

(B) Four members shall be appointed by the Speaker of the House of Representatives.

(C) Four members shall be appointed by the President pro tempore of the Senate.

(D) Four members shall be appointed by the Secretary of Education.

(2) COMPOSITION.—All members of the Commission shall be individuals who are qualified to serve on the Commission by virtue of their expertise in Federal student aid and student loan debt. The Commission shall be composed, at a minimum, of Department of Education officials, academic researchers, consumer advocates, and an impacted individual.

(f) TERMS.—The term of office for members shall be for the life of the Commission. A vacancy in the Commission shall not affect the powers of the Commission and shall be filled in the same manner in which the original appointment was made.

(g) CHAIR AND VICE CHAIR.—The Commission shall elect a Chair and Vice Chair from among its members. The term of office of each shall be for the life of the Commission.

(h) COMPENSATION.—Each member of the Commission shall serve without compensation. All members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties to the extent authorized by chapter 57 of title 5, United States Code.

(i) POWERS OF THE COMMISSION.—

(1) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out the provisions of this section, hold such hearings and sit and act at such times and at such places in the United States, and request the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as the Commission considers appropriate.

(2) POWERS OF SUBCOMMITTEES AND MEMBERS.—Any subcommittee or member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(3) OBTAINING OFFICIAL DATA.—The Commission may acquire directly from the Secretary of Education available information which the Commission considers useful in the discharge of its duties. The Secretary of Education shall cooperate with the Commission with respect to such information and shall furnish all information requested by the Commission to the extent permitted by law.

(j) TERMINATION.—The Commission shall terminate 90 days after the date on which the Commission submits its report to the Congress under subsection (d).

SEC. 9012. DISTRIBUTION OF RESOURCES TO PREVENT INCIDENTS OF BIAS ON CAMPUS.

Not later that 1 year after the date of enactment of this Act and every 2 years thereafter, the Secretary of Education shall, in consultation with the Attorney General, disseminate to institutions of higher education resources (including best practices information) about preventing and responding to incidents of bias, including bias based on actual or perceived race, color, religion, national origin, sex (including sexual orientation, gender identity, pregnancy, childbirth, a medical condition related to pregnancy or childbirth, and sex stereotype), or disability, at institutions of higher education (including elements of institutional policies that have proven successful).

SEC. 9013. GAO STUDY ON RACIAL AND SOCIOECONOMIC EQUITY GAPS AT PUBLIC 4-YEAR INSTITUTIONS.

(a) REPORT.—The Comptroller General shall prepare and submit a report to the authorizing committees that examines—

(1) racial and socioeconomic equity gaps among racial and income groups in enrollment, degree attainment, and Federal student loan repayment rates, and other outcomes at public 4-year degree granting institutions of higher education, disaggregated by State;

(2) the extent to which the rates and other outcomes described in paragraph (1) have changed over time;

(3) the factors that may contribute to differences in the rates and other outcomes described in paragraph (1) among racial and income groups (such as State spending on public, 4-year institutions of higher education, the availability of Federal and State financial aid, and FAFSA filing rates);

(4) efforts by States and institutions of higher education to attempt to close racial and income gaps in the rates and other outcomes described in paragraph (1);

(5) the racial breakdown of faculty and staff at public 4-year institutions of higher education and how retention rates for minority faculty and staff compare to non-minority faculty and staff; and

(6) efforts by States and institutions of higher education to attempt to improve inclusion for students belonging to racial and income groups that are historically underrepresented in higher education.

(b) DEFINITIONS.—In this section—

(1) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

(2) AUTHORIZING COMMITTEES; STATES.—The terms "authorizing committees" and "State" have the meanings given the terms in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003).

SEC. 9014. GAO STUDY ON LICENSE REVOCATIONS RELATED TO STUDENT LOAN DEFAULTS.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study on State practices related to the denial, suspension, or revocation of an individual's professional or driver's license as a penalty for student loan default.

(b) CONTENTS.—The study shall include a review of—

(1) State laws related to the denial, suspension, or revocation of a professional or driver's license as a penalty for student loan default, and the types of licenses included in such laws;

(2) the extent to which student loan borrowers are affected by such license denials, suspensions, or revocations; and

(3) the actual and potential consequences of such actions on Federal student loan borrowers.

(c) REPORT.—The Comptroller General shall submit a report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate containing the results of the study, together with any recommendations the Comptroller General determines appropriate.

(d) OUTREACH.—In conducting the study, the Comptroller General shall seek information from State or local licensing boards and other entities administering State laws pertaining to the denial, suspension, or revocation of a professional or driver's license as a penalty for student loan default, and other nonprofit entities that have researched issues pertaining to State licensure.

TITLE X—AMENDMENTS TO OTHER LAWS

PART A—EDUCATION OF THE DEAF ACT OF 1986

SEC. 10001. COMPOSITION OF BOARD OF TRUSTEES.

Section 103(a)(1) of the Education of the Deaf Act of 1986 (20 U.S.C. 4303(a)(1)) is amended—

(1) by striking "twenty-one" and inserting "twenty-three";

(2) in subparagraph (A)—

(A) by striking "three" and inserting "four"; and

(B) in clause (i)—

(i) by striking "one" and inserting "two"; and

(ii) by striking "Senator" and inserting "Senators"; and

(3) in subparagraph (B), by striking "eighteen" and inserting "nineteen".

SEC. 10002. ADMINISTRATIVE REQUIREMENTS OF LAURENT CLERC NATIONAL DEAF EDUCATION CENTER.

Section 104(b)(5) of the Education of the Deaf Act of 1986 (20 U.S.C. 4304(b)(5)) is amended to read as follows:

"(5) The University, for purposes of the elementary and secondary education programs carried out by the Clerc Center, shall—

"(A)(i)(I) provide an assurance to the Secretary that the University has adopted and is implementing challenging State academic standards that meet the requirements of section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1));

"(II) demonstrate to the Secretary that the University is implementing a set of high-quality student academic assessments in mathematics, reading or language arts, and science, and any other subjects chosen by the University, that meet the requirements of section 1111(b)(2) of such Act (20 U.S.C. 6311(b)(2)); and

"(III) demonstrate to the Secretary that the University is implementing an accountability system consistent with section 1111(c) of such Act (20 U.S.C. 6311(c)); or

"(ii)(I) select the challenging State academic standards and State academic assessments of a State, adopted and implemented, as appropriate, pursuant to paragraphs (1) and (2) of section 1111(b) of such Act (20 U.S.C. 6311(b)); and

"(II) adopt the accountability system, consistent with section 1111(c) of such Act (20 U.S.C. 6311(c)), of such State; and

"(B) publicly report, except in a case in which such reporting would not yield statistically reliable information or would reveal personally identifiable information about an individual student—

"(i) the results of the academic assessments implemented under subparagraph (A); and

"(ii) the results of the annual evaluation of the programs at the Clerc Center, as determined using the accountability system adopted under subparagraph (A).".

SEC. 10003. FEDERAL ENDOWMENT PROGRAMS FOR GALLAUDET UNIVERSITY AND THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

Section 207 of the Education of the Deaf Act of 1986 (20 U.S.C. 4357) is amended—

(1) in subsection (e), by striking "(and its non-Federal match)"; and

(2) in subsection (g)(1), by striking "amounts contributed to the fund from non-Federal sources, and" and inserting "and the related".

PART B—TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES ASSISTANCE ACT OF 1978

SEC. 10101. TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES ASSISTANCE ACT OF 1978.

(a) DEFINITIONS.—Section 2 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801) is amended—

(1) in subsection (a)—

(A) in paragraph (4), by striking "or has been formally" and inserting "and has been formally";

(B) in paragraph (7), by adding "and" at the end;

(C) in paragraph (8), by striking "; and" and inserting a period; and

(D) by striking paragraph (9); and

(2) in subsection (b)—

(A) by amending paragraph (1) to read as follows:

"(1) Such number shall be calculated based on the number of Indian students who are enrolled—

"(A) at the conclusion of the third week of each academic term; or

"(B) on the fifth day of a shortened program beginning after the conclusion of the third full week of an academic term.";

(B) in paragraph (3), by striking "for purposes of obtaining" and inserting "solely for the purpose of obtaining";

(C) in paragraph (4)—

(i) by striking "students" and inserting "individuals 16 years of age or older"; and

(ii) by striking "credit hours." and inserting "credit hours, except that the provisions of paragraphs (1) and (3) shall not apply to any determination under this paragraph.";

(D) in paragraph (5)—

(i) in subparagraph (A)—

(I) by inserting "hour" after "credit";

(II) by striking "in the case of an institution on a quarter system, or 15 contact hours in the case of an institution on a semester system,"; and

(III) by striking "and" at the end;

(ii) by redesignating subparagraph (B) as subparagraph (C); and

(iii) by inserting after subparagraph (A) the following:

"(B) shall be determined as one academic credit hour for every three continuing education program credits earned in the case of an institution on a semester system (which may be adjusted by the Secretary, if necessary, for institutions using academic periods other than semesters, such as trimesters or quarters); and"; and

(E) by inserting after paragraph (5), the following:

"(6) Enrollment data from the prior-prior academic year shall be used.".

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—The Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801 et seq.) is amended by inserting after section 2 (25 U.S.C. 1801), the following:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 3. (a)(1) There are authorized to be appropriated to carry out sections 105, 107, 112(b), and 113 such sums as may be necessary for fiscal year 2021 and each of the five succeeding fiscal years.

"(2) Funds appropriated pursuant to the authorization under paragraph (1) shall be transferred by the Secretary of the Treasury through the most expeditious method available, with each of the tribally controlled colleges or universities being designated as its own certifying agency.

"(b) There are authorized to be appropriated to carry out title III such sums as may be necessary for fiscal year 2021 and each of the five succeeding fiscal years. Any funds appropriated pursuant to this subsection are authorized to remain available until expended.

"(c) There are authorized to be appropriated to carry out titles IV and V such sums as may be necessary for fiscal year 2021 and each of the five succeeding fiscal years.

"(d)(1) For the purpose of affording adequate notice of funding available under this Act, amounts appropriated in an appropriation Act for any fiscal year to carry out this Act shall become available for obligation on July 1 of that fiscal year and shall remain available until September 30 of the succeeding fiscal year.

"(2) In order to effect a transition to the forward funding method of timing appropriation action described in paragraph (1), there are authorized to be appropriated, in an appropriation Act or Acts for the same fiscal year, two separate appropriations to carry out this Act, the first of which shall not be subject to paragraph (1).".

(2) CONFORMING AMENDMENTS.—

(A) Section 110 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1810) is repealed.

(B) Section 111 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1811) is amended by striking "110(a)(2)" and inserting "3(a)(2)".

(C) Section 306 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1836) is repealed.

(D) Title III of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1831 et seq.) is amended by striking "section 306" each place it appears and inserting "section 3(b)"

(E) Section 403 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1852) is repealed.

(F) Section 502 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1862) is amended—

(i) in subsection (a), by striking "Subject to the availability of appropriations, for fiscal year 2009 and each fiscal year thereafter," and inserting "From the amount made available under section 3(c) for each fiscal year,"; and

(ii) in subsection (d)(1), by striking "For fiscal year 2009 and each fiscal year thereafter, of amounts made available pursuant to section 504," and inserting "From the amount made available under section 3(c) for each fiscal year,".

(G) Section 504 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1864) is repealed.

(c) ANNUAL REPORT ON EMERGING TRIBAL COLLEGES.—Section 104 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1804a) is amended to read as follows:

"ANNUAL REPORT ON EMERGING TRIBAL COLLEGES

"SEC. 104. Not later than December 31 of each year, the Secretary shall submit a report to the Senate Committee on Indian Affairs, the Senate Committee on Health, Education, Labor and Pensions, the House Committee on Natural Resources, the House Committee on Education and Labor, the Senate Appropriations Subcommittee on the Interior, and the House Appropriations Subcommittee on the Interior on developing and emerging tribally controlled colleges or universities. Such report shall include information on—

"(1) inquiries received by the Secretary from federally recognized Indian Tribes and tribal organizations regarding the process for establishing a tribally controlled college or university;

"(2) the status of ongoing efforts to establish tribally controlled colleges or universities;

"(3) the geographic location, current and projected size, and anticipated application time frame of each reported institution; and

"(4) such other data as the Secretary may deem relevant.".

(d) ELIGIBILITY STUDIES.—Section 106 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1806) is amended—

(1) in subsection (b), by striking "for the fiscal year succeeding" and inserting "for the second fiscal year succeeding"; and

(2) in subsection (c), by striking "drawn from" and all that follows through the period at the end and inserting "drawn from the general administrative appropriations to the Secretary."

(e) GRANTS TO TRIBALLY CONTROLLED COLLEGES OR UNIVERSITIES.—Section 107 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1807) is amended—

(1) in subsection (c), by striking "given to institutions" and all that follows through the period at the end and inserting "given to institutions which received payments under this title in fiscal year 2019 or were affiliated with an institution which received payments under this title in fiscal year 2019."; and

(2) in subsection (d), by inserting "higher education" after "national Indian".

(f) AMOUNT OF GRANTS.—Section 108 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1808) is amended—

(1) by striking subsection (a)(2) and inserting the following:

"(2) EXCEPTIONS.—

"(A) If the sum appropriated for any fiscal year for payments under this section is not sufficient to pay in full the total amount that approved applicants are eligible to receive under this section for such fiscal year, the Secretary shall first allocate to each such applicant that received funds under this part for the preceding fiscal year an amount equal to 100 percent of the product of the per capita payment for the preceding fiscal year and such applicant's Indian student count for the current program year, plus an amount equal to the actual cost of any increase to the per capita figure resulting from inflationary increases to necessary costs beyond the institution's control.

"(B) The amount of a grant under paragraph (1) shall not exceed an amount equal to the total cost of the education program provided by the applicable tribally controlled college or university."; and

(2) in subsection (b)(1)—

(A) by striking "of the funds available for allotment by October 15 or no later than 14 days after appropriations become available" and inserting "of the amounts appropriated for any fiscal year on or before July 1 of that fiscal year"; and

(B) by striking "January 1" and inserting "September 30".

(g) REPORT ON FACILITIES.—Section 112 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1812) is amended to read as follows:

"REPORT ON FACILITIES

"SEC. 112. (a) The Secretary shall provide for the conduct of a study on the condition of tribally controlled college or university facilities, which, for purposes of this section, shall include the facilities of a Tribal College or University, as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)). Such study shall identify the need for new construction, renovation, and infrastructure enhancements of tribally controlled college or university facilities.

"(b) The study required in subsection (a) may be conducted directly by the Secretary or by contract.

"(c) A report on the results of the study required in subsection (a) shall be submitted to the Senate Committee on Indian Affairs, the Senate Committee on Health, Education, Labor and Pensions, the House Committee on Natural Resources, the House Committee on Education and Labor, the Senate Appropriations Subcommittee on the Interior, and the House Appropriations Subcommittee on the Interior not later than 18 months after the date of the enactment of the College Affordability Act.".

(h) MODIFICATION OF FACILITIES PROGRAM.—Section 113 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1813) is amended—

(1) in subsection (a), by striking "of the Administrator of General Services under section 112(a) of this Act" and inserting "under section 112(c)";

(2) in subsection (b), by striking "a tribally controlled college or university—" and all that follows through the period at the end and inserting "a tribally controlled college or university shall be a Tribal College or University, as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)).";

(3) by redesignating subsections (d) through (f) as subsections (e) through (g), respectively; and

(4) by inserting after subsection (c) the following:

"(d) Activities eligible for a grant under this section shall be activities that address a wide variety of facilities and infrastructure needs including—

"(1) building of new facilities;

"(2) renovating or expanding existing or acquired facilities;

"(3) providing new and existing facilities with equipment and infrastructure, including laboratory equipment, computer infrastructure and equipment, broadband infrastructure and equipment, library books, and furniture; and

"(4) property acquisition.".

(i) CONFORMING AMENDMENT FOR THE NAVAJO TRIBE.—Section 114(a) of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1814(a)) is amended striking "The Navajo" and inserting "Except as provided in sections 112 and 113, the Navajo".

(j) RULES AND REGULATIONS.—Section 115 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1815) is repealed.

(k) ENDOWMENT GRANTS.—Section 302 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1832) is amended by adding at the end the following:

"(c) The period of a grant under this section shall be not more than 20 years. During the grant period, an institution may withdraw and expend interest income generated by the endowment for any operating or academic purpose. An institution may not withdraw or expend any of the endowment fund corpus. After the termination of the grant period, an institution may use the endowment fund corpus for any operating or academic purpose.

"(d)(1) If at any time during the grant period an institution withdraws part of the endowment fund corpus, the institution shall repay to the Secretary an amount equal to 150 percent of the withdrawn amount. The Secretary may use up to 75 percent of such repaid funds to make additional endowment grants to, or to increase existing endowment grants at, other eligible institutions.

"(2) Notwithstanding subsection (c) and paragraph(1), the Secretary may allow an institution to expend part of the endowment fund corpus if the institution demonstrates such an expenditure is necessary because of—

"(A) a financial emergency, such as a pending insolvency or temporary liquidity problem;

"(B) a life-threatening situation occasioned by a natural disaster or arson; or

"(C) any other unusual occurrence or exigent circumstance.".

(l) PARTICIPATION OF TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS UNDER OTHER TITLES.—Section 503(a) of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1863(a)) is amended to read as follows:

"(a) PARTICIPATION OF TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS UNDER OTHER TITLES.—For purposes of the preceding titles of this Act, a tribally controlled postsecondary career and technical institution shall not be considered to be a tribally controlled college or university except as follows:

"(1) For purposes of section 105(a)(1), the Secretary shall provide, upon request from a tribally controlled postsecondary career and technical institution, technical assistance either directly or through contract.

"(2) For purposes of section 113, title III, and title IV, a tribally controlled postsecondary career and technical institution shall be considered to be a tribally controlled college or university.".

(m) CLERICAL AMENDMENTS.—The Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801 et seq.), as amended by the preceding provisions of this section, is further amended—

(1) by striking "Bureau of Indian Affairs" each place it appears and inserting "Bureau of Indian Education";

(2) by striking "Navajo Community College Act" each place it appears and inserting "Diné College Act"; and

(3) in section 109 (25 U.S.C. 1809), by redesignating the second subsection (c) as subsection (d).

PART C—STRENGTHENING PROGRAM ALIGNMENT FOR POSTSECONDARY PERKINS CAREER AND TECHNICAL EDUCATION PROGRAMS

SEC. 10201. STRENGTHENING PROGRAM ALIGNMENT FOR POSTSECONDARY PERKINS CAREER AND TECHNICAL EDUCATION PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section $181,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

(2) OUTLYING AREAS.—In addition to the amounts authorized to be appropriated under paragraph (1), there are authorized to be appropriated $1,520,000 for fiscal year 2021 and each of the 5 succeeding fiscal years, for the purpose of awarding funds to carry out this section to the outlying areas described in section 115(a) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2325(a)).

(3) TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS.—In addition to the amounts authorized to be appropriated under paragraphs (1) and (2), there are authorized to be appropriated $10,469,000 for fiscal year 2021 and each of the 5 succeeding fiscal years, for the purpose of awarding funds to carry out this section to tribally controlled postsecondary career and technical institutions described in section 117(a) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2327(a)).

(b) ALLOTMENT AND ALLOCATION.—

(1) STATE ALLOTMENT.—

(A) IN GENERAL.—From the amount appropriated under subsection (a)(1) for each fiscal year, the Secretary of Education shall allot funds to States in the same manner as allotments are made to States under 111(a)(2) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2321(a)(2)), except that such section 111(a)(2) shall be applied by substituting "From the amount appropriated under subsection (a)(1)," for "From the remainder of the amount appropriated under section 9 and not reserved under paragraph (1) for a fiscal year,".

(B) REALLOTMENT.—If for any fiscal year the amount appropriated for allotments under this paragraph is insufficient to satisfy the provisions of subparagraph (A), the payments to all States under such subparagraph shall be ratably reduced.

(2) REQUIREMENTS FOR STATE ALLOTMENT.—From the amount allotted to each State under paragraph (1) for a fiscal year, the eligible agency shall use such funds in the same manner and in the same amounts as described in paragraphs

(2) and (3) of section 112(a) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2321(a)).

(3) ELIGIBLE RECIPIENT ALLOCATION.—

(A) IN GENERAL.—From the amount allotted to each State under paragraph (1) and not used under paragraph (2) for a fiscal year, the eligible agency shall allocate funds to each eligible recipient within the State in the same manner that funds are allocated to eligible institutions or consortium of eligible institutions under section 132(a)(2) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2352(a)(2)), except that such section 132(a)(2) shall be applied by substituting "the amount allotted to the State under paragraph (1) and not used under paragraph (2)" for "the portion of funds made available under section 112(a)(1) to carry out this section".

(B) REQUIREMENTS FOR ALLOCATION.—To receive an allocation under subparagraph (A), an eligible recipient shall meet the following requirements:

(i) Provide a description to the Secretary, at such time and in such manner, as may be required by the Secretary of how the eligible recipient will use the allocation to support and coordinate with—

(I) any funds received by such eligible recipient under title I of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2321 et seq.); and

(II) the activities described in the State plan of the eligible agency that distributes funds under such title to such eligible recipient, and local application of such eligible recipient under such title.

(ii) Establish partnerships with each of the following:

(I) A local educational agency or a consortia of local educational agencies.

(II) An area career and technical education school, in a case in which such a school is located in the State or local area of the eligible recipient.

(III) A State or local workforce development system.

(IV) A 4-year institution of higher education.

(4) ALLOTMENTS TO OUTLYING AREAS.—From funds appropriated under subsection (a)(2), the Secretary shall—

(A) make a grant in the amount of $660,000 to Guam;

(B) make a grant in the amount of $350,000 to each of the Commonwealth of the Northern Mariana Islands and American Samoa; and

(C) make a grant in the amount of $160,000 to the Republic of Palau.

(c) USES OF FUNDS.—

(1) IN GENERAL.—Each eligible recipient that receives an allocation under subsection (b)(2) shall use such allocation to carry out a career and technical education program of study that shall—

(A) include alignment to career pathways, the use of articulation agreements, and career guidance and academic counseling;

(B) combine a minimum of 2 years of secondary education (as determined under State law) with a minimum of 2 years of postsecondary education in a nonduplicative, sequential course of study;

(C) include work-based learning or apprenticeship programs;

(D) be aligned with—

(i) the workforce development system; and

(ii) institutions of higher education offering baccalaureate or advanced degree programs;

(E) offer education and training in high-skill, high-wage, or in-demand industry sectors and occupations to meet the regional needs and support the priorities described in the most recent comprehensive local needs assessment conducted by the eligible recipient under section 134(c) of the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2354(c)); and

(F) carry out the requirements of subparagraph (A), (B), (C), (D), or (E) of paragraph (2).

(2) REQUIREMENTS.—Each career and technical education program of study described in paragraph (1) shall carry out at least one of the following:

(A) Supporting the development, delivery, or implementation of a statewide effort to scale such program of study and career pathways.

(B) Establishing industry or sector partnerships inside or outside the State.

(C) Providing equal access to, and supports for, successful completion of the career and technical education program of study to individuals who are members of special populations, including the development of services appropriate to the needs of special populations.

(D) Improving career guidance, academic counseling, and career exploration activities for prospective or participating students through the development and implementation of graduation and career plans aligned to career pathways.

(E) Developing curriculum and supports for effective transitions between the following:

(i) The transition from a secondary career and technical education program to a postsecondary career and technical education program.

(ii) The transition from postsecondary career and technical education programs to an institution of higher education offering a baccalaureate or an advanced degree program.

(iii) The transition from a workforce development system to a postsecondary career and technical education program.

(iv) The transition from a postsecondary career and technical education program to employment.

(v) The transition from a career and technical education program to an apprenticeship program or from an apprenticeship program to an institution of higher education or employment.

(3) RESTRICTION ON USES OF FUNDS.—Each eligible recipient that receives an allocation under subsection (b)(2) shall not use more than 5 percent of such allocation for costs associated with the administration of activities.

(d) DEFINITIONS.—In this section:

(1) APPRENTICESHIP PROGRAM.—The term "apprenticeship program" means an apprenticeship registered under the Act of August 16, 1937 (commonly known as the "National Apprenticeship Act"; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.).

(2) ELIGIBLE RECIPIENT.—The term "eligible recipient" has the meaning given the term in section 3(21)(B) of the Carl D. Perkins Career and Technical Education Act of 1965 (20 U.S.C. 2302(21)(B)).

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

(4) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given such term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(5) PERKINS CTE TERMS.—The terms "articulation agreement", "area career and technical education school", "career and technical education", "eligible agency", "program of study", "special population", and "work-based learning" have the meanings given the terms in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302).

(6) STATE.—The term "State" has the meaning given the term in section 111(d) of the Carl D. Perkins Career and Technical Education Act of 2006.

(7) WIOA TERMS.—The terms "career pathway", "workforce development system", "in-demand industry sector or occupation", and "industry or sector partnership" have the meanings given the terms in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3201).

PART D—GENERAL EDUCATION PROVISIONS ACT

SEC. 10301. RELEASE OF EDUCATION RECORDS TO FACILITATE THE AWARD OF A RECOGNIZED POSTSECONDARY CREDENTIAL.

Section 444(b) of the General Education Provisions Act (20 U.S.C. 1232g(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (K)(ii), by striking "; and" and inserting a semicolon; and

(B) in subparagraph (L), by striking the period at the end and inserting "; and"; and

(2) by inserting after subparagraph (L) the following:

"(M) an institution of postsecondary education in which the student was previously enrolled, to which records of postsecondary coursework and credits are sent for the purpose of applying such coursework and credits toward completion of a recognized postsecondary credential (as that term is defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102)), upon condition that the student provides written consent prior to receiving such credential.".

PART E—EDUCATION SCIENCES REFORM ACT OF 2002

SEC. 10401. INCLUSION OF RACIAL SUBGROUPS IN IPEDS DATA.

Section 153(a)(3) of the Education Sciences Reform Act of 2002 (20 U.S.C. 9543(a)(3)) is amended—

(1) by striking "feasible, information" and inserting the following: "feasible—
"(A) information";

(2) by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(B) information from the Integrated Postsecondary Education Data Survey, the postsecondary student data system established under section 132(l), or a successor system (whichever includes the most recent data), that is disaggregated by race in a manner that captures all the racial groups specified in the American Community Survey of the Bureau of the Census;".

PART F—U.S. INSTITUTE OF PEACE

SEC. 10501. REAUTHORIZATION OF THE U.S. INSTITUTE OF PEACE.

Section 1710 of the United States Institute of Peace Act (22 U.S.C. 4609) is amended in subsection (a)(1) by striking "fiscal years 2009 through 2014" and inserting "fiscal year 2021 and each of the 5 succeeding fiscal years".

PURPOSE AND SUMMARY

The purpose of H.R. 4674, the *College Affordability Act*, is to improve higher education in the United States through reauthorization of the *Higher Education Act of 1965* (HEA). H.R. 4674 lowers the cost of colleges for students and families, holds colleges accountable for student success, and gives a new generation the opportunity to graduate on-time and transition to a successful career.

H.R. 4674 addresses the rising cost of a college education by ensuring that federal and state resources are available to help students afford higher education and to contain higher education costs generally. It creates a federal-state partnership to direct federal funding to states that make community college tuition-free for all students and provides mechanisms to create debt-free college pathways. The bill includes the largest increase in the amount of the maximum Pell Grant in history, enhancing support for low-income students. It expands access to dual enrollment programs, so that students can earn free college credits while still in high school. H.R. 4674 reforms the federal student loan system, making student loans cheaper to take out, simpler to understand, and easier to pay off. The Act also simplifies the Free Application for Federal Student Aid (FAFSA) removing potential barriers students face when trying to finance their education.

H.R. 4674 improves the quality of higher education by holding all schools accountable for student success. It empowers accreditors to create meaningful standards for student success by evaluating student outcomes. The bill gives states the tools to protect students from the fallout of abrupt school closures. H.R. 4674 reinstates consumer protections that help defrauded students get back on their feet and prevents low-quality training programs from accessing taxpayer dollars. It protects students, especially student veterans, from predatory for-profit institutions of higher education (institutions) by strengthening the provision that prevents for-profit institutions from overreliance on federal dollars. H.R. 4674 blocks access to federal student aid for institutions with high percentages of students who default on their loans or fail to repay their loans on-

time, as well as those that spend excessive amounts of money on marketing and lobbying and not enough money educating students. The Act also promotes student success by improving provisions on campus climate and the safety of students.

H.R. 4674 also advances equity and expands opportunity for students from all backgrounds. The bill provides flexible college options and stronger supports for the students of today. It increases funding for wraparound services, including campus-based child care, academic and career advising, and small emergency grants to support completion. It improves access for students with disabilities, foster youth, students who struggle with homelessness, undocumented students, and student veterans. It also expands access to high-quality short-term programs that can help individuals quickly build their skills in high-demand jobs and move into the workforce. H.R. 4674 also increases and permanently reauthorizes mandatory funding for Historically Black Colleges and Universities (HBCUs), Tribally Controlled Colleges and Universities (TCCUs), and other Minority-Serving Institutions (MSIs).

COMMITTEE ACTION

111TH CONGRESS

First Session

On May 21, 2009, the Committee held a hearing entitled "Increasing Student Aid through Loan Reform." The hearing focused on examining Administration proposals to increase federal student aid funding and reform student loan programs, including the federal Direct Loan program and the Federal Family Education Loan (FFEL) program. The Committee heard testimony from Christopher Chapman, President and Chief Executive Officer at the Access Group; Rene Drouin, President and Chief Executive Officer at the New Hampshire Higher Education Assistance Foundation; Anna M. Griswold, Assistant Vice President of Undergraduate Education and Executive Director for Student Aid at Pennsylvania State University; Dr. Charles Reed, Chancellor at the California State University; John F. Remondi, Vice Chairman and Chief Financial Officer at Sallie Mae; Robert Shireman, Deputy Under Secretary of the U.S. Department of Education (Department); and Dr. Richard Vedder, Professor of Economics at Ohio University.

On July 21, 2009, the Committee held a markup of H.R. 3221, the Student Aid and Fiscal Responsibility Act of 2009 (SAFRA), estimated to generate almost $100 billion in savings over 10 years. The savings were used to boost Pell Grants, keep interest rates on federal loans affordable, safeguard access to federal student loans, extend mandatory funding for existing programs for HBCUs, TCUs, and other MSIs, and enact President Obama's key education priorities. SAFRA was reported favorably to the House with an amendment in the nature of a substitute. The Chairman was authorized to transmit the bill with an amendment in the nature of a substitute to the Committee on Budget in compliance with Section 310 of the Congressional Budget Act of 1974 as the first part of this committee's recommendations, pursuant to the reconciliation instruction in S. Con. Res. 13 by a vote of 30 to 17. SAFRA was incorporated into H.R. 4872 the *Health Care and Education Reconciliation Act of 2010* (HCERA) as Title II, Part A. On March 21,

2010, HCERA passed the House of Representatives by a vote of 220 to 211. On March 25, 2010, HCERA passed the Senate by a vote of 56 to 43. On March 30, 2010, President Barack Obama signed HCERA into law (P.L. 111–152).

On September 18, 2009, the Subcommittee on Early Childhood, Elementary and Secondary Education held a field hearing in Flint, Michigan entitled "High School/College Dual Enrollment Programs." The hearing focused on examining dual enrollment and early college access programs in Genesee County, Michigan. The Committee heard testimony from Thomas Svitkovich, Superintendent of Genesee Intermediate School District; Dr. Vahid Lotfi, Interim Provost and Vice Chancellor of Academic Affairs at the University of Michigan-Flint; Dr. M. Richard Shaink, President of Mott Community College; John Brooks, a student at Mott Community College; Stephen Skorcz, President and Chief Executive Officer at Greater Flint Health Coalition; and Dr. Michale Webb, Associate Vice President of Early College Initiative at Jobs for the Future.

On October 14, 2009, the Subcommittee on Higher Education, Lifelong Learning, and Competitiveness held a hearing entitled "Ensuring Student Eligibility Requirements for Federal Aid." In light of concerns about fraud and abuse, the hearing reviewed eligibility requirements for federal student aid programs. The Committee heard testimony from George A. Scott, Director of Education, Workforce, and Income Security at the Government Accountability Office (GAO); Robert Shireman, Deputy Under Secretary at the Department; the Honorable Mary Mitchelson, Acting Inspector General at the Department; and Harris N. Miller, President and Chief Executive Officer at Career College Association.

Second Session

On May 27, 2010, the Committee held a hearing entitled "Examining GAO's Findings on Efforts to Improve Oversight of Low-Income and Minority Serving Institutions." The hearing examined findings and recommendations of GAO's recent report on efficacy of Departmental oversight of grant assistance to institutions that provide low-income and minority students with access to higher education. The Committee heard testimony from George A. Scott, Director of Education, Workforce, and Income Security at the GAO and Robert Shireman, Deputy Under Secretary at the Department.

On June 17, 2010, the Committee held a hearing entitled "The Department of Education Inspector General's Review of Standards for Program Length in Higher Education." The hearing examined the efficacy of higher education accrediting agencies standards and practices, focusing on potential federal student aid allocation and expenditure implications of inconsistent higher education credit hour and degree length standards. The Committee heard testimony from Sylvia Manning, President of the Higher Learning Commission of the North Central Association; Michale S. McComis, Executive Director of Accrediting Commission of Career Schools and Colleges; and the Honorable Kathleen Tighe, Inspector General at the Department.

First Session

On March 11, 2011, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Education Regulations: Federal Overreach into Academic Affairs." The hearing focused on examining the impact of federal higher education regulations on college and university programs. The Committee heard testimony from John Ebersole, President of Excelsior College; Dr. G. Blair Dowden, President of Huntington University; the Honorable Kathleen Tighe, Inspector General of the Department; and Ralph Wolff, President of the Western Association of Schools and Colleges.

On March 17, 2011, the Committee held a hearing entitled "Education Regulations: Roadblocks to Student Choice in Higher Education." The hearing examined the potential impact of the Department's rule defining "gainful employment" under the HEA. The Committee heard testimony from Catherine Barreto, graduate of Monroe College; Tavis Jennings, Electrical Supervisor of the Manufacturing Launch Systems Group at Orbital Sciences Corporation; Dr. Arnold Mitchem, President of the Council for Opportunity in Education; and Jeanne Herrmann, Chief Operating Officer at the Globe University/Minnesota School of Business.

On March 21st and 22nd of 2011, the Committee held two field hearings: one in Wilkes-Barre, Pennsylvania and another in Utica, New York. Both hearings were entitled "Reviving our Economy: The Role of Higher Education in Job Growth and Development." The hearings examined efforts and strategies to improve higher education and reviewed the role of higher education in job growth and development. In the first hearing, the Committee heard testimony from James Perry, President of the Hazelton City Council; Jeffrey Alesson, Vice President of Strategic Planning and Quality Assurance at Diamond Manufacturing; Dr. Reynold Verret, Provost at Wilkes University; Raymond Angeli, President of Lackawanna College; Joan Seaman, Executive Director of Empire Beauty School; and Thomas P. Leary, President of Luzerne County Community College. In the second hearing, the Committee heard testimony from Anthony J. Picente, Jr., County Executive of Oneida County; Dave Mathis, Director of Oneida County Workforce Development; Dr. John Bay, Vice President and Chief Scientist at Assured Information Security; Dr. Bjong Wolf Yeigh, President of the State University of New York Institute of Technology; Dr. Ann Marie Murray, President of Herkimer County Community College; Dr. Judith Kirkpatrick, Provost at Utica College; and Phil Williams, President of Utica School of Commerce, The Business College.

On April 21, 2011, the Subcommittee on Higher Education and Workforce Training held a field hearing in Columbia, Tennessee entitled "Reviving our Economy: The Role of Higher Education in Job Growth and Development." The hearing focused on examining efforts and strategies to improve higher education, and to review the role of higher education in job growth and development. The Committee heard from Dr. Janet Smith, President of Columbia State Community College; Dr. Ted Brown, President of Martin-Methodist College; Jim Coakley, President of Auto-Diesel College; the Honorable Dean Dickey, Mayor of the City of Columbia; Susan Marlow, President and Chief Executive Officer at Smart Data

Strategies; Jan McKeel, Executive Director of the South Central Tennessee Workforce Board; and Margaret Prater, Executive Director of Northwest Tennessee Workforce Board.

On July 8, 2011, the Subcommittee on Higher Education and Workforce Training alongside the Committee on Oversight and Government Reform Subcommittee on Regulatory Affairs, Stimulus Oversight, and Government Spending held a hearing entitled "The Gainful Employment Regulation: Limiting Job Growth and Student Choice." The hearing focused on examining the potential impact on educational institutions, employers, and students of the new Department rule defining "gainful employment" under the HEA. The Committee heard from Dr. Dario A. Cortes, President of Berkeley College; Dr. Anthony P. Carnevale, Director at Georgetown University Center on Education and the Workforce; Karla Carpenter, graduate of Herzing University and Program Manager at Quest Software; and Harry C. Alford, President and Chief Executive Officer at the National Black Chamber of Commerce.

On August 16, 2011, the Subcommittee on Higher Education and Workforce Training held a field hearing in Greenville, South Carolina entitled "Reviving Our Economy: The Role of Higher Education in Job Growth and Development." The hearing focused on improving higher education, and reviewed the role of higher education in job growth and development. The Committee heard from the Honorable Knox White, Mayor of the City of Greenville; Werner Eikenbusch, Section Manager of Associate Development and Training at BMW Manufacturing Co.; Ms. Laura Harmon, Project Director at Greenville Works; Dr. Brenda Thames, Vice President of Academic Development at Greenville Health System; Mr. James F. Barker, President of Clemson University; Dr. Thomas F. Moore, Chancellor of the University of South Carolina Upstate; Dr. Keith Miller, President of Greenville Technical College; and Amy Hickman, Campus President of ECPI College of Technology.

On October 25, 2011, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Government-Run Student Loans: Ensuring the Direct Loan Program is Accountable to Students and Taxpayers." The hearing focused on examining federal Direct Loan program oversight and accountability. The Committee heard from James W. Runcie, Chief Operating Officer of the Department's Office of Federal Student Aid; Ron H. Day, Director of Financial Aid at Kennesaw State University; Ms. Nancy Hoover, Director of Financial Aid at Denison University; and Mark A. Bandre, Vice President for Enrollment Management and Student Affairs at Baker University.

On November 30, 2011, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Keeping College Within Reach: Discussing Ways Institutions Can Streamline Costs and Reduce Tuition." The hearing focused on examining increases in college tuition and fees over the past decade. The Committee heard from Jane V. Wellman, Executive Director at Delta Project on Postsecondary Costs, Productivity, and Accountability; Dr. Ronald E. Manahan, President of Grace College and Seminary; Jamie P. Merisotis, President and Chief Executive Officer at Lumina Foundation for Education; and Tim Foster, President of Colorado Mesa University.

Second Session

On July 18, 2012, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Keeping College Within Reach: Exploring State Efforts to Curb Costs." The hearing focused on examining state-led initiatives to address rising college costs. The Committee heard from Scott Pattison, Executive Director at National Association of State Budget Officers; Teresa Lubbers, Commissioner for Higher Education for the State of Indiana; Stan Jones, President of Complete College America; and Dr. Joe May, President of Louisiana Community and Technical College System.

On September 20, 2012, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Assessing College Data: Helping to Provide Valuable Information to Students, Institutions, and taxpayers." The hearing examined higher education data collected by the federal government and reviewed the usefulness of the data to students, institutions, and taxpayers. The Committee heard from Dr. Mark Schneider, Vice President of American Institutes for Research; Dr. James Hallmark, Vice Chancellor for Academic Affairs at Texas A&M System; Dr. Jose Cruz, Vice President for Higher Education Policy and Practice at The Education Trust; and Dr. Tracy Fitzsimmons, President of Shenandoah University.

113TH CONGRESS

First Session

On March 13, 2013, the Committee held a hearing entitled "Keeping College Within Reach: Examining Opportunities to Strengthen Federal Student Loan Programs." The hearing examined proposals to reform the federal student loan program. The Committee heard testimony from Dr. Deborah J. Lucas, Sloan Distinguished Professor of Finance of the Massachusetts Institute of Technology; Jason Delisle, Director, Federal Education Budget Project of the New America Foundation; Justin Draeger, President and Chief Executive Officer of the National Association of Student Financial Aid Administrators; and Dr. Charmaine Mercer, Vice President of Policy of the Alliance for Excellent Education.

On April 9, 2013, the Subcommittee on Higher Education and Workforce Training held a field hearing in Monroe, Michigan entitled "Reviving Our Economy: The Role of Higher Education in Job Growth and Development." The hearing focused on the role of higher education in job growth and economic development. The Committee heard testimony from Henry Lievens, Commissioner of Monroe County, Michigan; Lynette Dowler, Plant Director, Fossil Generation of DTE Energy; Susan Smith, Executive Director of the Economic Development Partnership of Hillsdale County, Jonesville, Michigan; Dan Fairbanks, United Auto Workers International Representative, UAW—GM Skill Development and Training Department; Dr. David E. Nixon, President of Monroe County Community College; Sister Peg Albert, OP, Ph.D., President of Siena Heights University; Dr. Michelle Shields, Career Coach and Workforce Development Director of Jackson Community College; and Douglas A. Levy, Director of Financial Aid of Macomb Community College.

On April 16, 2013, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Keeping College With-

in Reach: The Role of Federal Student Aid Programs." The hearing focused on the role of federal student aid programs in postsecondary education. The Committee heard testimony from Terry W. Hartle, Senior Vice President of the Division of Government and Public Affairs of the American Council on Education; Moriah Miles, State Chair of the Minnesota State University Student Association; Patricia McGuire, President of Trinity Washington University; and Dan Madzelan, former employee (retired) of the Department.

On April 24, 2013, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Keeping College Within Reach: Enhancing Transparency for Students, Families, and Taxpayers." The hearing focused on transparency in higher education. The Committee heard testimony from Dr. Donald E. Heller, Dean of the College of Education of Michigan State University; Alex Garrido, Student at Keiser University; Dr. Nicole Farmer Hurd, Founder and Executive Director of the National College Advising Corps; and Travis Reindl, Program Director of Postsecondary Education of the National Governors Association Center for Best Practices.

On June 13, 2013, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Keeping College Within Reach: Discussing Program Quality through Accreditation." The hearing focused on the role of accreditation. The Committee heard testimony from Dr. Elizabeth H. Sibolski, President of Middle States Commission on Higher Education; Dr. Michale McComis, Executive Director of Accrediting Commission of Career Schools and Colleges; Anne D. Neal, President of the American Council of Trustees and Alumni; and Kevin Carey, Director of the Education Policy Program of the New America Foundation.

On July 9, 2013, the Committee held a hearing entitled "Keeping College Within Reach: Improving Higher Education through Innovation." The hearing focused on innovation in higher education. The Committee heard testimony from Scott Jenkins, Director of External Relations of Western Governors University; Dr. Pamela J. Tate, President and Chief Executive Officer of the Council for Adult and Experiential Learning; Dr. Joann A. Boughman, Senior Vice Chancellor for Academic Affairs of the University System of Maryland; and Burck Smith, Chief Executive Officer and Founder of StraighterLine.

On September 11, 2013, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Keeping College Within Reach: Supporting Higher Education Opportunities for America's Servicemembers and Veterans." The hearing focused on how to best serve servicemembers and veterans in higher education. The Committee heard testimony from Kimrey W. Rhinehardt, Vice President for Federal and Military Affairs of the University of North Carolina, Chapel Hill; Dr. Arthur F. Kirk, Jr., President of Saint Leo University; Dr. Russell S. Kitchner, Vice President for Regulatory and Governmental Relations of the American Public University System; and Dr. Ken Sauer, Senior Associate Commissioner for Research and Academic Affairs of the Indiana Commission for Higher Education.

On September 18, 2013, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Keeping College Within Reach: Improving Access and Affordability through Innova-

tive Partnerships." The hearing focused on ways to reduce the cost of college through non-traditional partnerships. The Committee heard testimony from Dr. Jeffrey Docking, President of Adrian College; Paula R. Singer, President and Chief Executive Officer of Laureate Global Products and Services; Dr. Rich Baraniuk, Professor of Rice University and Founder of Connexions; and Dr. Charles Lee Isbell, Jr., Professor and Senior Associate Dean, College of Computing of the Georgia Institute of Technology.

On November 13, 2013, the Committee held a hearing entitled "Keeping College Within Reach: Simplifying Federal Student Aid." The hearing focused on simplifications to federal student aid. The Committee heard from Kristin D. Conklin, Founding Partner of HCM Strategies, LLC; Dr. Sandy Baum, Research Professor of Education Policy at George Washington University Graduate School of Education and Human Development and Senior Fellow at the Urban Institute; Jennifer Mishory, Deputy Director of Young Invincibles; and Jason Delisle, Director of the Federal Education Budget Project of the New America Foundation.

On December 3, 2013, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Keeping College Within Reach: Strengthening Pell Grants for Future Generations." The hearing focused on reforms to the Pell Grant program. The Committee heard testimony from Justin Draeger, President and Chief Executive Officer of the National Association of Student Financial Aid Administrators; Dr. Jenna Ashley Robinson, Director of Outreach of the John W. Pope Center for Higher Education Policy; Michael Dannenberg, Director of Higher Education and Education Finance Policy of The Education Trust; and Richard C. Heath, Director of Student Financial Services of Anne Arundel Community College.

Second Session

On January 28, 2014, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Keeping College Within Reach: Sharing Best Practices for Serving Low-Income and First Generation Students." The hearing focused on how institutions can best serve low-income and first-generation students. The Committee heard testimony from Dr. James Anderson, Chancellor of Fayetteville State University; Mary Beth Del Balzo, Senior Executive Vice President and Chief Executive Officer of The College of Westchester; Josse Alex Garrido, graduate student at the University of Texas-Pan American; and Rev. Dennis H. Holtschneider, President of DePaul University.

On February 27, 2014, the Subcommittee on Early Childhood, Elementary, and Secondary Education and the Subcommittee on Higher Education and Workforce Training held a joint hearing entitled "Exploring Efforts to Strengthen the Teaching Profession." The hearing focused on teacher preparation programs. The Committee heard testimony from Dr. Deborah A. Gist, Commissioner of the Rhode Island Department of Elementary and Secondary Education of the Rhode Island Department of Elementary and Secondary Education; Dr. Marcy Singer-Gabella of Vanderbilt University, Professor of the Practice of Education; Dr. Heather Peske, Associate Commissioner for Educator Quality of Massachusetts De-

partment of Elementary and Secondary Education; and Christina Hall, Co-Founder and Co-Director of the Urban Teacher Center.

On March 12, 2014, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Examining the Mismanagement of the Student Loan Rehabilitation Process." The hearing focused on the Department's efforts to help borrowers in loan rehabilitation. The Committee heard testimony from Melissa Emrey-Arras, Director of Education, Workforce, and Income Security Issues at GAO; the Honorable Kathleen Tighe, Inspector General of the Department; James Runcie, Chief Operating Officer of the Department's Office of Federal Student Aid; and Peg Julius, Executive Director of Enrollment Management at Kirkwood Community College.

On March 20, 2014, the Committee held a field hearing in Mesa, Arizona entitled "Reviving our Economy: Supporting a 21st Century Workforce." The hearing focused on the relationship between institutions and workforce development. The Committee heard testimony from the Honorable Rick Heumann, Vice Mayor of the City of Chandler, Arizona; Cathleen Barton, Education Manager of Intel Corporate Affairs of Southwestern United States of the Intel Corporation; Lee D. Lambert, Chancellor of Pima Community College; Dr. William Pepicello, President of the University of Phoenix; Dr. Michael Crow, President of the Arizona State University; Dr. Ann Weaver Hart, President of the University of Arizona; Dr. Ernest A. Lara, President of Estrella Mountain Community College; and Christy Farley, Vice President of Government Affairs and Business Partnerships of Northern Arizona University.

On April 2, 2014, the Committee held a hearing entitled "Keeping College Within Reach: Meeting the Needs of Contemporary Students." The hearing focused on issues regarding accessibility and affordability in higher education. The Committee heard testimony from Dr. George A. Pruitt, President of Thomas Edison State College; Dr. Kevin Gilligan, Chairman and Chief Executive Officer of Capella Education Company; David Moldoff, Chief Executive Officer and Founder of AcademyOne, Inc.; Dr. Joann A. Boughman, Senior Vice Chancellor for Academic Affairs of the University System of Maryland; Stan Jones, President of Complete College America; and Dr. Brooks A. Keel, President of Georgia Southern University.

Legislative Action

On May 16, 2013, the Committee considered H.R. 1911, the *Smarter Solutions for Students Act*. The bill set the annual interest rate on all federal student loans (except Perkins loans) at the rate on high-yield 10-year Treasury notes. The Committee considered H.R. 1911 in legislative session and reported it favorably, as amended, to the House of Representatives by a bipartisan vote of 24 to 13.

On July 24, 2013, the Committee considered H.R. 2637, the *Supporting Academic Freedom through Regulatory Relief Act*. The bill, which included the text of H.R. 2117, the *Protecting Academic Freedom in Higher Education Act*, repealed the requirement that institutions be authorized by the State in which they offer a curriculum, the regulatory definition of credit hour and prohibits the Department from promulgating any future rules that define a credit hour,

and gainful employment regulations. The Committee considered H.R. 2637 in legislative session and reported it favorably, as amended, to the House of Representatives by a bipartisan vote of 22 to 13.

On July 10, 2014, the Committee considered H.R. 3136, the *Advancing Competency-Based Education Demonstration Project Act* of 2013; H.R. 4983, the *Strengthening Transparency in Higher Education Act*; and H.R. 4984 the *Empowering Students through Enhanced Financial Counseling Act*. H.R. 3136 promoted innovation in higher education by directing the Secretary to implement competency-based education demonstration projects. H.R. 4983 required the Secretary to create the College Dashboard website with publicly available information regarding institutions. H.R. 4984 directed the Secretary to maintain and disseminate a consumer-tested, online counseling tool institutions could use to provide annual loan counseling, exit counseling, and annual Pell Grant counseling to students. The Committee considered H.R. 3136, H.R. 4983, and H.R. 4984 in legislative session and reported the bills favorably, as amended, to the House of Representatives by a voice vote.

114TH CONGRESS

First Session

On February 4, 2015, the Committee held a hearing entitled "Expanding Opportunity in America's Schools and Workplaces." The hearing focused on improvements to both early, elementary, and secondary education and higher education. The Committee heard testimony from Dr. Michael Amiridis, Provost and Executive Vice President for Academic Affairs of the University of South Carolina; Drew Greenblatt, President and CEO of Marlin Steel Wire Products; Dr. Lawrence Mishel, President of the Economic Policy Institute; and the Honorable Mike Pence, Governor of Indiana.

On March 17, 2015, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Strengthening America's Higher Education System." The hearing focused on improvements to the higher education system. The Subcommittee heard testimony from Willis Goldsmith, Partner of Jones Day, testifying on behalf of the U.S. Chamber of Commerce; Stan Soloway, President and CEO of Professional Services Council; Angela Styles, Partner of Crowell & Moring LLP; Karla Walter, Associate Director of the American Worker Project at the Center for American Progress.

On April 30, 2015, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Improving College Access and Completion for Low-Income and First-Generation Students." The hearing focused on institutional efforts to improve access to higher education for low-income and first-generation students. The Committee heard testimony from Dr. Michelle Asha Cooper of the Institute for Higher Education Policy, Dr. Laura Perna, James S. Riepe Professor and Executive Director of the Alliance for Higher Education and Democracy; Dr. Charles J. Alexander, Associate Vice Provost for Student Diversity, Director, Academic Advancement Program and Associate Adjunct Professor, University of California, Los Angeles; and Dr. Joe D. May, Chancellor of the Dallas County Community College District.

On September 10, 2015, the Subcommittee on Higher Education and Workforce Training held a hearing entitled "Preventing and Responding to Sexual Assault on College Campuses." The hearing focused on policies that help institutions prevent and respond to sexual assault on campus. The Committee heard testimony from Dana Scaduto, General Counsel of Dickinson College; Dr. Penny Rue, Vice President for Campus Life at Wake Forest University; Lisa M. Maatz, M.A., Vice President for Government Relations at the American Association of University Women; and Joseph Cohn, Legislative and Policy Director of the Foundation for Individual Rights in Education.

On November 18, 2015, the Subcommittee on Higher Education and Workforce Training and the Committee on Oversight and Government Reform's Subcommittee on Government Operations held a joint hearing entitled "Federal Student Aid: Performance-Based Organization Review." The hearing focused on the Department's Office of Federal Student Aid. The Committee heard testimony from James Runcie, Chief Operating Officer of the Department's Office of Federal Student Aid; Melissa Emrey-Arras, Director, Education Workforce, and Income Security of the GAO; the Honorable Kathleen Tighe, Inspector General of the Department; Ben Miller, Senior Director of Postsecondary Education at the Center for American Progress; and Justin Draeger, President of the National Association of Student Financial Aid Administrators.

Legislative Action

On June 22, 2016, the Committee considered H.R. 5529, the *Accessing Higher Education Opportunities Act*; H.R. 5530, *HBCU Capital Financing Improvement Act*; H.R. 5528, the *Simplifying the Application for Student Aid Act*; H.R. 3179, the *Empowering Students Through Enhanced Financial Counseling Act*; and H.R. 3178, the *Strengthening Transparency in Higher Education Act*. H.R. 5529 amended title V of the HEA to expand grant activities under the Hispanic Serving Institutions program. H.R. 5530 amended title III of the HEA to modify the HBCU Capital Financing Program. H.R. 5528 amended title IV of the HEA to require the Department to use tax information on the second preceding tax year to determine a student's financial aid eligibility. H.R. 3179 amended title IV of the HEA to modify loan counseling requirements for IHEs that participates in federal student aid programs. H.R. 3178 amended title I of the HEA to modify consumer information disclosure requirements related to college costs and student characteristics. The Committee considered these five bipartisan bills in legislative session and reported the bills favorably, as amended, to the House of Representatives by voice vote.

115TH CONGRESS

First Session

On February 7, 2017, the Committee held a hearing entitled "Challenges and Opportunities in Higher Education." The hearing focused on reforms and challenges facing the higher education system. The Committee heard testimony from Dr. Beth Akers, Senior Fellow at the Manhattan Institute; Dr. William English "Brit" Kirwan, Co-Chair of the Task Force on the Federal Regulation of

Higher Education; Dr. Jose Luis Cruz, President of Lehman College; and Kevin Gilligan of the Capella Education Company.

On March 21, 2017, the Committee held a hearing entitled "Improving Federal Student Aid to Better Meet the Needs of Students." The hearing focused on how to simplify federal student aid. The Committee heard testimony from JoEllen Soucier, Executive Director of Financial Aid at the Houston Community College System; Kristin Conklin, Partner of HCM Strategists; Youlonda Copeland-Morgan, Vice Provost of Enrollment Management at the University of California, Los Angeles; Dr. Matt Chingos, Senior Fellow at the Urban Institute.

On April 27, 2017, the Committee held a hearing entitled "Strengthening Accreditation to Better Protect Students and Taxpayers." The hearing focused on improvements to accreditation in higher education. The Committee heard testimony from Dr. Mary Ellen Petrisko, President of the Western Association of Schools and Colleges, Senior College and University Commission; Dr. George A. Pruitt, President of Thomas Edison State University; Ben Miller, Senior Director for Postsecondary Education at the Center for American Progress; and Dr. Michale S. McComis, Executive Director of the Accrediting Commission of Career Schools and Colleges.

On May 24, 2017, Reps. Jared Polis and Adriano Espaillat, both Committee Members, hosted a panel entitled "Pathways to College Completion." Panelists included Dr. Vanessa Anderson, Executive Director of the Bard Early College at the Harlem Children's Zone Promise Academy; Adam Lowe, Executive Director of the National Alliance of Concurrent Enrollment Partnerships; Amy Laitinen, Director for Higher Education at New America; Jon Bellum, Vice President and Provost of Colorado State University—Global Campus; and Paul Fain, News Editor of Inside Higher Ed.

On May 24, 2017, the Subcommittee on Higher Education and Workforce Development held a hearing entitled "Empowering Students and Families to Make Informed Decisions on Higher Education." The hearing focused on how to help students and families make informed decisions and how to ensure transparency and accountability in higher education. The Committee heard testimony from Dr. Mark Schneider, Vice President at the American Institutes for Research; Jason Delisle, Resident Fellow at the American Enterprise Institute; Mamie Voight, Vice President of Policy Research at the Institute for Higher Education Policy; and Andrew Benton, President and Chief Executive Officer of Pepperdine University.

Second Session

On September 26, 2018, the Committee held a hearing entitled "Examining First Amendment Rights on Campus." The hearing focused on free speech issues on college and university campuses. The Committee heard testimony from Suzanne Nossel, Chief Executive Officer of PEN America; Zachary R. Wood, Author of "Uncensored;" Joseph Cohn, Legislative and Policy Director of the Foundation for Individual Rights in Education; and Ken Paulson, President of the First Amendment Center.

Legislative Action

On December 12, 2017, the Committee considered H.R. 4508, the *Promoting Real Opportunity, Success, and Prosperity through Education Reform Act* (PROSPER) in legislative session, and reported the bill favorably, as amended, to the House of Representatives by a partisan vote of 23–17. Committee Democrats responded to the introduction of the PROSPER Act and introduced the H.R. 6543, the *Aim Higher Act*, with 86 cosponsors on July 26, 2018. In contrast to the PROSPER Act, which cut more than $15 billion from federal student aid, the *Aim Higher Act* made higher education more accessible by creating a federal-state partnership that incentivized states to reinvest in their systems of higher education, investing billions of dollars into federal student aid, and either creating or strengthening programs that help traditionally underrepresented students enroll in and complete college.

116TH CONGRESS

This Congress, the Committee held five bipartisan legislative hearings to inform H.R. 4674:

On March 13, 2019, the Committee held the first hearing of the series entitled "The Cost of College: Student Centered Reforms to Bring Higher Education Within Reach." The Committee heard from researchers, administrators, and students who described the causes and consequences of rising college costs and presented recommendations on reforms to the system that make college more affordable. The Committee heard testimony from Dr. Douglas Webber, Professor at Temple University; Dr. Alison Morrison-Shetlar, Interim Chancellor at Western Carolina University; Jenae Parker, student at Franklin University; Dr. Elizabeth Akers, senior fellow at the Manhattan Institute; and James Kvaal, President of The Institute for College Access and Success.

On April 3, 2019, the Subcommittee on Higher Education and Workforce Investment held the second bipartisan hearing of the series entitled "Strengthening Accountability in Higher Education to Better Protect Students and Taxpayers." The hearing focused on the role of states, accreditors, and the federal government to hold colleges accountable and needed improvements to the accountability system. The Committee heard from Dr. Nicholas Hillman, Associate Professor at the University of Wisconsin-Madison; Melissa Emrey-Arras, Director at the U.S. Government Accountability Office; Noe Ortega, Commissioner of Postsecondary and Higher Education for the Pennsylvania Department of Education; and Dr. Barbara E. Brittingham, President of the New England Commission of Higher Education.

On May 9, 2019, the Subcommittee on Higher Education and Workforce Investment held the third bipartisan hearing of the series entitled "The Cost of Non-Completion: Improving Student Outcomes in Higher Education." The Committee heard from witnesses about the reasons for and consequences of non-completion on students and society, differences in non-completion across sectors, and successful strategies to improve completion. The Committee heard from Dr. Susan Dynarski, Professor at the University of Michigan; Dr. David Rudd, President of the University of Memphis; Dr. Pam

Eddinger, President of Bunker Hill Community College; and Kyle Ethelbah, Director of TRIO programs at the University of Utah.

On May 22, 2019, the Subcommittee on Higher Education and Workforce Investment held the fourth bipartisan hearing of the series entitled "Engines of Economic Mobility: The Critical Role of Community Colleges, Historically Black Colleges and Universities, and Minority-Serving Institutions in Preparing Students for Success." The hearing focused on public and non-profit colleges that enroll a substantial percentage of students of color and low-income students and policies the federal government could adopt to better support these institutions. The Committee heard testimony from Dr. Reynold Verret, President of Xavier University of Louisiana; Dr. Patricia Alvarez McHatton, Executive Vice President for Academic Affairs at the University of Texas Rio Grande Valley; Dr. Glenn DuBois, Chancellor of the Virginia Community College System; and Dr. Sandra Boham, President of Salish Kootenai College.

On June 19, 2019, the Committee held the fifth bipartisan hearing of the series entitled "Innovation to Improve Equity: Exploring High-Quality Pathways to a College Degree." The hearing highlighted existing innovative programs that offer on-ramps to higher education including proven approaches such as dual enrollment programs and wraparound supports, as well as newer approaches such as competency-based education. The Committee heard testimony from Dr. Judith Marwick, Provost at William Rainey Harper College; Dr. Tomikia LeGrande, Vice Provost for Strategic Enrollment Management at Virginia Commonwealth University; Charla Long, Executive Director of the Competency-Based Education Network; and Sameer Gadkaree, Senior Program Officer at the Joyce Foundation.

Beyond the five bipartisan hearings, the Subcommittee on Higher Education and Workforce Investment held several related hearings that informed the development of H.R. 4674:

On April 24, 2019, the Subcommittee on Higher Education and Workforce Investment held a joint field hearing with the Committee on Veterans Affairs Economic Opportunity Subcommittee in El Cajon, California entitled "Protecting Those Who Protect Us: Ensuring the Success of our Student Veterans." The hearing examined why and how student veterans are heavily recruited by for-profit colleges and explored legislative recommendations to better protect student veterans from unscrupulous practices at these institutions. The Subcommittee heard testimony from Robert Muth, Academic Director of the Veterans Legal Clinic at the University of San Diego; Eloy Oakley, Chancellor of the California Community Colleges; Kristyl Rodriguez, a student veteran at Bellus Academy; and Robert Shireman, Senior Fellow at The Century Foundation.

On July 17, 2019, the Subcommittee on Higher Education and Workforce Investment held a hearing entitled "Educating Our Educators: How Federal Policy Can Better Support Teachers and School Leaders." The hearing focused on investments in teacher preparation and strategies to promote effective school leadership. The Subommittee heard testimony from Michael Brosnan, Teacher and Early Leadership Institute Coach of Bridgeport Public Schools; Tricia McManus, Assistant Superintendent for Leadership, Professional Development and School Transformation of Hillsborough County Public Schools; John White, Louisiana State Super-

intendent of Education; and Dr. Andrew Daire, Dean of the School of Education of Virginia Commonwealth University.

On September 19, 2019, the Subcommittee on Higher Education and Workforce Investment held an oversight hearing entitled, "Broken Promises: Examining the Failed Implementation of the Public Service Loan Forgiveness Program." This oversight hearing examined the problematic implementation of public service loan forgiveness (PSLF) that resulted in a 99 percent application rejection rate. The Subcommittee heard testimony from Kelly Finlaw, a New York City teacher and PSLF applicant; Dr. Matthew Chingos, Vice President for Education Data and Policy of the Urban Institute; Yael Shavit, J.D., Assistant Attorney General of the Office of the Massachusetts Attorney General; Melissa Emery-Arras, Director of Education, Workforce, and Income Security at GAO; and Jeff Appel, Director of Policy Liaison and Implementation of the Department's Office of Federal Student Aid.

On October 29, 2019 the Committee began consideration of H.R. 4674 in legislative session, and reported the bill favorably, as amended, to the House of Representatives by a vote of 28–22 on October 31, 2019. The Committee considered and adopted the following amendments to H.R. 4674:

- Rep. Susan Davis (D–CA) offered an Amendment in the Nature of a Substitute (ANS) which made several improvements to H.R. 4674, including:
  - Clarifying that an institution attempting a conversion from a proprietary institution to a non-profit institution will be considered a proprietary institution under all aspects of HEA during the transition period;
  - Increasing the maximum Pell Grant award by $625 rather than $500;
  - Adding a new section to allow borrowers to automatically receive a closed school discharge if they have not re-enrolled in an institution after two years of closure;
  - Adding two new subsections to provide graduate and professional students attending public and non-profit institutions with access to subsidized loans at the same interest rate available to these students for unsubsidized loans;
  - Adding a prohibition on interest capitalizing after forbearance for Federal Direct PLUS loans, Federal Direct Unsubsidized Loans, and Federal Direct Consolidation Loans subsequent to enactment of this Act;
  - Increasing auto-zero EFC threshold to $37,000 rather than $34,000;
  - Amending the definition of part-time faculty to allow faculty members or instructors who teach a minimum of two courses and are not employed full-time anywhere else to be eligible for Public Service Loan Forgiveness;
  - Capping collection fees charged to defaulted borrowers;
  - Adding a requirement that the Secretary of Education (Secretary) must resolve borrower defense claims within 12 months from when the claim was received. The Secretary must also resolve pending claims that were submitted prior to enactment of this Act within 12 months of enactment;

- Adding a rule of construction to clarify that the Secretary cannot require accreditors to use a specific performance benchmark;
- Clarifying that states and tribes participating in America's College Promise may use funds that remain after tuition waivers are paid for to invest in the academic workforce; They may also use allocations under the Student Success Fund to support the implementation of promising and evidence-based institutional reforms and innovative practices to improve student outcomes at both two- and four-year public institutions.
- Adding a new section directing the Secretary to encourage institutions to implement comprehensive plans to address mental health and prevent suicide among students; and
- Adding a new section directing the Secretary to create a commission to examine the experience of students with mental health disabilities.

Ranking Member Rep. Virginia Foxx (R–NC) offered a substitute amendment to the Davis ANS, the minority substitute for H.R. 4674. The Foxx amendment was defeated by a recorded vote of 21–27. The Davis ANS was adopted by voice vote.

- Rep. Susan Bonamici (D–OR) offered an amendment to assist students participating in the Federal Work Study program to access federal nutrition benefits for which they are eligible. The amendment was adopted by voice vote.
- Rep. Lucy McBath (D–GA) offered an amendment to allow states that receive America's College Promise funds to expand the scope and capacity of high-quality skills training programs at community colleges to do so in collaboration with one or more industry or sector partnership. The amendment was adopted by a recorded vote of 46–0.
- Rep. Ilhan Omar (D–MN) offered an amendment to establish a commission to study the impact of federal student loan debt and provide recommendations to Congress. The amendment was adopted by a recorded vote of 27–19.
- Rep. Donald Norcross (D–NJ) offered an amendment to allow CCAMPIS (Child Care Access Means Parents in School) funds to be used for evening and summer services along with other improvements to the program. The amendment was adopted by voice vote.
- Rep. Lori Trahan (D–MA) offered an amendment in conjunction with Rep. Brett Guthrie (R–KY) to make improvements to the Net Price Calculator system. The amendment was adopted by a recorded vote of 45–0.
- Committee Chairman Rep. Robert C. "Bobby" Scott (D–VA) offered an amendment to direct the Secretary, in consultation with the Attorney General, to disseminate best practices on how to respond to incidents of bias. The amendment was adopted by voice vote.
- Rep. Donna Shalala (D–FL) offered an amendment to move the 85/15 requirement to the definition of "institutional eligibility" and to allow for a phasing in of new 85/15 requirements. The amendment was adopted by a recorded vote of 28–17.

• Rep. Pramila Jayapal (D–WA) offered an amendment to direct the GAO to study racial and socioeconomic equity gaps in outcomes at four-year institutions. Rep. Frederica Wilson (D–FL) offered an amendment to the Jayapal amendment to require the study in the underlying amendment examine administration of climate surveys and other issues affecting campus climate. The Wilson amendment was adopted by voice vote, and the Jayapal amendment was then adopted by voice vote.

• Rep. Mark DeSaulnier (D–CA) offered an amendment to five competitive priority to applications for funds under part B of Title II to entities that recruit teacher candidates who have community service experience. The amendment was adopted by voice vote.

• Rep. Shalala offered an amendment to require a GAO study of state licensing restrictions related to federal student loan defaults. The amendment was adopted by a recorded vote of 45–0.

• Rep. Glenn "GT" Thompson (R–PA) offered an amendment to support capacity building for career and technical education programs. Rep. Haley Stevens (D–MI) offered an amendment to the Thompson amendment to align the activities authorized in the underlying amendment with the *Carl D. Perkins Career and Technical Education Act of 2006*. The Stevens amendment was adopted by voice vote, and the Thompson amendment was then adopted by a recorded vote of 45–0.

• Rep. James Comer (R–KY) offered an amendment to require institutions to disclose campus policies regarding required background checks for employees and volunteers, and to require campuses to conduct background checks for employees and volunteers working with athletes, children, and youth. Rep. Bonamici offered an amendment to the Comer amendment to align the requirements of the underlying amendment with Clery Act disclosure requirements. The Bonamici amendment was adopted by a recorded vote of 26–22, and the underlying Comer amendment was adopted by voice vote.

• Rep. Greg Murphy (R–NC) offered an amendment to require institutions to disclose when non-instructional spending increases by more than 5 percent year-over-year. The amendment was adopted by a recorded vote of 47–0.

• Rep. Bradley Byrne (R–AL) offered an amendment to enable Title III funds to be spent on dual enrollment, pay for success initiatives, and other uses to further student career success. Committee Vice-Chairman Rep. Andy Levin (D–MI) offered an amendment to the Byrne amendment to strike pay for success as an allowable use from the underlying amendment, and to align the remaining authorized uses in the underlying amendment with the *Carl D. Perkins Career and Technical Education Act of 2006*. The Levin amendment was adopted by voice vote, and the underlying Byrne amendment was also adopted by voice vote.

The Committee also considered the following amendments:

• Rep. Lloyd Smucker (R–PA) offered an amendment to restrict eligibility for tuition-free community college based on in-

come. The amendment was defeated by a recorded vote of 18–28.

• Rep. Smucker offered an amendment to limit the newly required quick reference box in financial offers. The amendment was defeated by a recorded vote of 18–28.

• Rep. Smucker offered an amendment to prohibit registered lobbyists from accessing Public Service Loan Forgiveness. The amendment was defeated by a recorded vote of 18–28.

• Rep. Smucker offered an amendment to strike the increase in the set aside for and evaluation of the GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs) program. The amendment was defeated by a recorded vote of 18–28.

• Rep. Guthrie offered an amendment to make several changes to the Federal Work Study program including: lowering the Federal Work-Study match for institutions; removing the requirement that campuses use certain percentages of funds for work-based learning; and adding to the Job Location and Development fund an allowable use for registered and non-registered apprenticeships. The amendment was defeated by a recorded vote of 18–28.

• Rep. Phil Roe (R–TN) offered an amendment to prevent the bill from taking effect until the Institute for Education Sciences certifies that such implementation shall not increase the cost of attendance. The amendment was defeated by a recorded vote of 17–28.

• Rep. Roe offered an amendment to expand Sense of Congress language on free speech and to require institutions to disclose existing free speech policies to students to receive any funds under the Act. The amendment was defeated by a recorded vote of 17–28.

• Rep. Roe offered an amendment to prevent students from being treated as employees for collective bargaining purposes. The amendment was defeated by a recorded vote of 17–28.

• Rep. Tim Walberg (R–MI) offered an amendment to prohibit any government entity from taking any adverse action against an institution for acts or omissions that are in furtherance of its religious mission. The amendment was defeated by a recorded vote of 17–28.

• Rep. Walberg offered an amendment to require a GAO study of the impact of student participation in collective bargaining on cost of attendance. The amendment was defeated by a recorded vote of 17–28.

• Rep. Glenn Grothman (R–WI) offered an amendment to strike the bill's competency-based education (CBE) pilot and to make all CBE programs eligible for Title IV funds. The amendment was defeated by a recorded vote of 17–28.

• Rep. Grothman offered an amendment to specify that a student in legal guardianship who continues to receive financial support from their parents is considered dependent for the purposes of the Free Application for Federal Student Aid (FAFSA). The amendment was defeated by a recorded vote of 17–28.

• Ranking Member Foxx offered an amendment to repeal the section of the Act prohibiting the Secretary from imple-

menting proposed Title IX regulations. The amendment was defeated by voice vote.

• Ranking Member Foxx offered an amendment to require all programs at all institutions meet the high school earnings requirement that is applied under the Act to Job Training short-term Pell Grant programs. The amendment was withdrawn.

• Rep. Thompson offered an amendment to allow for-profit institutions to participate in the short-term Pell program. The amendment was defeated by a recorded vote of 20–25.

• Rep. Jim Banks (R–IN) offered an amendment to prevent the bill from taking effect until the Secretary of Education certifies that it will not negatively impact military recruitment and limit veterans' access to education. The amendment was defeated by a recorded vote of 20–26.

• Rep. Grothman offered an amendment restricting eligibility for participation of certain academic programs under Title VI of the Act. The amendment was defeated by a recorded vote of 20–26.

• Rep. Grothman offered an amendment to provide discretion to financial aid administrators to lower student loan limits. The amendment was defeated by a recorded vote of 21–26.

• Rep. Grothman offered an amendment to strike requirements for grantees to provide students information on Supplemental Nutrition Assistance Program (SNAP) eligibility. The amendment was defeated by a recorded vote of 21–26.

• Rep. Rick Allen (R–GA) offered an amendment to a state receiving a partnership grant under America's College Promise to certify that neither the state, nor its cities and counties limit cooperation with federal immigration authorities to protect undocumented individuals. The amendment was defeated by a recorded vote of 21–25.

• Rep. Allen offered an amendment to prohibit a school from offering in-state tuition or a reduced fee rate to a person not lawfully present in the United States. The amendment was defeated by a recorded vote of 19–26.

• Rep. Elise Stefanik (R–NY) offered an amendment to replace the Public Service Loan Forgiveness program with a State Workforce Incentive program. The amendment was defeated by a recorded vote of 22–26.

• Rep. Comer offered an amendment to prohibit borrowers who commit crimes against children, as determined by the Secretary from receiving certain Loan Forgiveness. The amendment was defeated by a recorded vote of 20–24.

• Rep. Comer offered an amendment to strike the requirement for institutions seeking religious exemptions to Title IX make disclosures to students. The amendment was defeated by a recorded vote of 22–26.

• Rep. Dusty Johnson (R–SD) offered an amendment to require that accrediting accounting boards to include at least one public member who represents business. The amendment was defeated by a recorded vote of 23–25.

• Rep. Johnson offered an amendment to add an opt-in requirement to the Postsecondary Student Data System for stu-

dents not receiving any federal funds The amendment was defeated by voice vote.

- Rep. Johnson offered an amendment to require institutions to certify that any health care practitioner at a healthcare facility affiliated with the institution will provide medical care to any infant born alive at such facility. The amendment was defeated by a recorded vote of 22–26.
- Rep. Russ Fulcher (R–ID) offered an amendment to strike the gainful employment provisions in the bill. The amendment was defeated by a recorded vote of 22–25.
- Rep. Mark Walker (R–NC) offered an amendment to exclude 529 college savings plans from needs analysis under the FAFSA. The amendment was defeated by a recorded vote of 22–26.
- Rep. Walker offered an amendment to require institutions to comply with state laws pertaining to student athletes' rights to their name, image, and likenesses. The amendment was withdrawn.
- Rep. Ben Cline (R–VA) offered an amendment to apply the newly created adjusted cohort default rate at the academic program level. The amendment was defeated by a recorded vote of 22–24.
- Rep. Cline offered an amendment to strike changes to the federal student loan program and insert the text of H.R. 4098, the Higher Education Reform and Opportunity (HERO) Act. The amendment was defeated by a recorded vote of 9–37.
- Rep. Steve Watkins (R–KS) offered an amendment to strike the requirement that accreditors have specific student outcome benchmarks. The amendment was defeated by a recorded vote of 22–26.
- Rep. Dan Meuser (R–PA) offered an amendment to eliminate the requirement that the Secretary enter a memorandum of understanding with the Private Education Loan Ombudsman at the Consumer Financial Protection Bureau. The amendment was defeated by a recorded vote of 22–26.
- Rep. Meuser offered an amendment to provide a two-year transition exception to the adjusted cohort default rate benchmark for all institutions, rather than only public institutions, HBCUs, and private institutions with a Pell enrollment of at least 45 percent. The amendment was defeated by a recorded vote of 22–24.
- Rep. Fred Keller (R–PA) offered an amendment to strike the proposed 85/15 rule from the substitute and underlying law. The amendment was defeated by a recorded vote of 22–26.
- Mr. Keller offered an amendment to allow institutions to outsource up to 100 percent of education programs to ineligible entities. The amendment was defeated by a recorded vote of 22–26.
- Mr. Murphy offered an amendment to add a "sense of Congress" that professors should remove their political biases from the classroom. The amendment was defeated by a recorded vote of 22–26.

- Mr. Murphy offered an amendment to eliminate the $5 administration fee granted to institutions per Pell recipient they enroll. The amendment was defeated by voice vote.

COMMITTEE VIEWS

Congress originally passed the HEA in 1965 as part of a broader effort by President Lyndon B. Johnson to fight poverty and racial inequality through groundbreaking federal laws.[1] President Lyndon Johnson, when signing HEA into law at his alma mater Southwest Texas State College remarked that the law means that, "a high school senior anywhere in this great land of ours can apply to any college or any university in any of the 50 States and not be turned away because his family is poor."[2] The HEA specifically aimed to remove monetary barriers to postsecondary education, giving low- and middle-income students the opportunity to pursue the same postsecondary degrees already available to high-income students.[3]

Since the enactment of the HEA, the law has only been reauthorized eight times. The last reauthorization was in 2008—more than a decade ago. Since then, there have been several changes in the higher education landscape that must be addressed in any meaningful reauthorization of HEA.

First, the finance structure of higher education fundamentally shifted since 1965 in many important aspects. The most impactful change has been the wave of state disinvestment in higher education which predated, but was crystallized after, the Great Recession. In the 1970s, states funded approximately 70 percent of higher education costs (with 30 percent left to be financed by the federal government and the student).[4] Over the last four decades this breakdown has inverted, slowly at first, and then rapidly after the 2008 crisis and subsequent recession.[5] Many states are just returning to higher education spending levels in line with expenditures before the recession over 12 years ago, which were still historically low.[6] The result has left students paying nearly half of the cost of operating public higher education, with many of students left no other choice but to debt finance their higher education via the federal student aid system.[7] Additionally, over the last 30 years, tuition cost increases have far outpaced inflation. In-state tuition at public four-year colleges has tripled since 1988 while tuition costs

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[1] See Robin L. Capt, *Analysis of the Higher Education Act Reauthorizations: Financial Aid Policy Influencing College Access and Choice*, 3 ADMIN. ISSUES J. EDUC., PRAC., & RSCH, 4 (2013).

[2] Remarks at Southwest Texas State College Upon Signing the Higher Education Act of 1965, (Nov. 8, 1965).

[3] See John Groutt, MILESTONES OF TRIO HISTORY, PART I, OPPORTUNITY OUTLOOK 2 (Jan. 2003) ("As part of that Act [HEA] a large amount of money would soon be appropriated to students in the form of new Educational Opportunity Grants (EOG). This was the *first time ever* that Federal scholarship monies would be distributed based on low-income status.").

[4] ASS'N OF PUB. LAND GRANT UNIVS., COLLEGE COSTS: ANSWERS TO THE MOST FREQUENTLY ASKED QUESTIONS ABOUT PUBLIC HIGHER EDUCATION, 4. (2013), https://www.aplu.org/library/fact-sheet-college-costs/File.

[5] PEW CHARITABLE TRUSTS, FEDERAL AND STATE FUNDING OF HIGHER EDUCATION: A CHANGING LANDSCAPE, 3 (2015) https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2015/06/federal-and-state-funding-of-higher-education.

[6] MICHAEL MITCHEL ET AL., CTR. FOR BUDG. & POL'Y PRIORITIES, STATE HIGHER EDUCATION FUNDING CUTS HAVEPUSHED COSTS TO STUDENTS, WORSENED INEQUALITY 1 (2019) https://www.cbpp.org/research/state-budget-and-tax/state-higher-education-funding-cuts-have-pushed-costs-to-students.

[7] SOPHIA LADERMAN & DUSTIN WEEDEN, STATE HIGHER EDUC. EXEC. OFFICERS ASS'N, STATE HIGHER EDUCATIONFINANCE FY 2019, 28 (2020) https://shef.sheeo.org/wp-content/uploads/2020/04/SHEEO_SHEF_FY19_Report.pdf.

have more than doubled in other sectors, even after adjusting for inflation.[8]

The federal government's response to these financial pressures has been to modify federal loan eligibility requirements, create new loan programs, and establish loan repayment plans that ease monthly payments for borrowers. Repayment plans have been introduced in full reauthorizations, in partial amendments to the law, and via administrative authority.[9] While well intentioned, these plans have resulted in a patchwork of programs that have made repaying loans too complex.

Recognizing that state disinvestment and inflation of college costs are both existential threats to the higher education system in the United States, H.R. 4674 seeks to provide programs to both contain costs and incentivize states to maintain their investment in higher education. The bill also simplifies the student loan repayment system by eliminating current repayment plans and creating one fixed repayment plan and an income-based repayment (IBR) plan that is more generous than current law.

Second, the demographics of the college student population have changed considerably. HEA was originally written at a time when mostly white, mostly male students entered higher education studying full-time at a residential university directly after high school.[10] Every one of these paradigms has shifted. Women students now outnumber men,[11] and students rightfully expect their schools to recognize and respect their sexual orientations and gender identities. Students of color are now participating in higher rates in higher education than ever before, resulting in a more racially, ethnically and financially diverse student body.[12] The majority of students do not enter higher education directly after high school, and are often working at least 30 hours a week while pursuing their degree part-time, commuting to school and often raising a family.[13] Each one of these demographic shifts has implications on both campuses and the federal programs not originally designed to serve this population of students. H.R. 4674 recognizes these shifts and many of its reforms are designed to better serve the "traditional" student of today.[14]

Additionally, many new actors have entered in the service delivery of higher education, most notably large, publicly traded for-

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[8] JENNIFER MA ET AL., THE COLLEGE BOARD, TRENDS IN COLLEGE PRICING 2018, 13 (2018).

[9] *See* College Cost Reduction and Access Act, Pub. L. No. 110–84, 121 Stat. 784 (2007); Higher Education Opportunity Act, Pub. L. No. 110–315, 122 Stat. 3078 (2008); Pay As You Earn, 34 C.F.R. § 685.209 (2012); Revised Pay As You Earn, 34 C.F.R § 685.209 (2012).

[10] PAUL TAYLOR ET AL., PEW CHARITABLE TRUSTS, WOMEN SEE VALUE AND BENEFITS OF COLLEGE; MEN LAG ON BOTH FRONTS, SURVEY FINDS 9, (2011) https://www.pewresearch.org/wp-content/uploads/sites/3/2011/08/Gender-and-higher-ed-FNL-RPT.pdf.

[11] JENNIFER MA, ET AL., THE COLLEGE BOARD, EDUCATION PAYS: THE BENEFITS OF HIGHER EDUCATION FOR INDIVIDUALS AND SOCIETY, 11 (2020) https://research.collegeboard.org/pdf/education-pays-2019-full-report.pdf.

[12] *Id.* at 10.

[13] ANTHONY P. CARNEVALE, NICOLE SMITH, GEO. CTR. ON EDUC. & WORKFORCE, BALANCING WORK AND LEARNING: IMPLICATIONS FOR LOW-INCOME STUDENTS, 6 (2018) https://1gyhoq479ufd3yna29x7ubjn-wpengine.netdna-ssl.com/wp-content/uploads/Low-Income-Working-Learners-FR.pdf.

[14] *Cf. Innovation to Improve Equity: Exploring High-Quality Pathways to a College Degree Before the H. Comm. On Educ. & Lab.* (2019) (Statement of Ranking Member Virginia Foxx) ("For too long, we've believed in the stereotype of college students as being young, bright-eyed youth, fresh out of high school, lounging in their dorms before heading to class in the quad. While true for some, this traditional image of postsecondary education is no longer the case for the majority of American students. . . . . And yet the federal government and the higher education sector too often continue to cater to an outdated vision of postsecondary education.")https://republicans-edlabor.house.gov/news/documentsingle.aspx?DocumentID=406455.

profit systems of higher education. The last two decades saw a rise in large corporations opening chains of institutions across the country.[15] These larger publicly traded firms in particular have a fiduciary duty to their shareholders to increase profits as their primary duty.[16] Since the last reauthorization of HEA, we have seen growth of these large for-profit chains and with them, increased cases of widespread fraud and abuse of the federal student aid system.[17] When these cases come to light, they often precipitate abrupt closures of institutions, leaving students with outstanding debt, and limited options on how to continue their education.[18] In the most egregious cases, some of these large for-profit entities have exploited gaps in the system of higher education oversight.[19] H.R. 4674 attempts to strengthen existing guardrails on federal dollars to prevent their abuse, and provides new processes to ensure that institutions cannot escape meaningful oversight.

Other changes in the higher education field necessitated attention in this comprehensive HEA reauthorization. For example, since the 2008 reauthorization the research on effective teacher preparation—the subject of the HEA's title II—has evolved and illuminated clear practices that produce results for student achievement and help retain teachers in the profession. Further, we are just now experiencing the impact of the implementation of policies established in the last reauthorization. There is also an emphasis on shortening the length of higher educational programs either by allowing students to take college credit courses while in secondary school or designing shorter programs of study to provide skills necessary to immediately enter an in-demand high paying job shortly after completion.

Given all these changes, a comprehensive reauthorization of the HEA is long overdue. H.R. 4674 represents an overhaul of higher

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[15] *For Profit Higher Education: The Failure to Safeguard the Federal Investment and Ensure Student Success, Report of the S. Comm. On Health, Educ, Lab. & Pensions*, S. REP. NO. 112–37, VOL. 1 AT 20, (2012).

[16] *See e.g.*, Robert J. Rhee, "A Legal Theory of Shareholder Primacy", 102 MINN. L. REV. 1951 (May, 2018).

[17] Danielle Douglas-Gabriel, *ITT Technical Institutes Shut Down After 50 Years in Operation*, WASH. POST (Sept. 6, 2016, 10:24AM), https://www.washingtonpost.com/news/grade-point/wp/2016/09/06/itt-technical-institutes-shut-down-after-50-years-in-operations/; John B. King, Jr., *A Message from the Secretary of Education to ITT Students*,U.S. DEP'T OF EDUC. BLOG (Sept. 6, 2016), https://blog.ed.gov/2016/09/message-secretary-education-itt-students/; Richard Pérez-Peña, *College Group Run for Profit Looks to Close or Sell Schools*, N.Y. TIMES (July 4, 2014), https://www.nytimes.com/2014/07/05/education/corinthian-colleges-to-largely-shut-down.html; Press Release, U.S. Dep't of Educ., U.S. Department of Education Accepts Plan from Corinthian Colleges Inc. (July 3, 2014), https://www.ed.gov/news/press-releases/us-department-education-accepts-operating-plan-corinthian-colleges-inc; Press Release, FTC, FTC Obtains Record $191 Million Settlement from University of Phoenix to Resolve FTC Charges It Used Deceptive Advertising to Attract Prospective Students (Dec. 10, 2019), https://www.ftc.gov/news-events/press-releases/2019/12/ftc-obtains-record-191-million-settlement-university-phoenix; Press Release, FTC, DeVry University Agrees to $100 Million Settlement with FTC (Dec. 15, 2016), https://www.ftc.gov/news-events/press-releases/2016/12/devry-university-agrees-100-million-settlement-ftc.

[18] *Cf.* ADAM LOONEY & YANNELLIS CONSTANTINE, BROOKINGS INSTITUTION, A CRISIS IN STUDENT LOANS? HOW CHANGES IN THE CHARACTERISTICS OF BORROWERS IN THE INSTITUTIONS THEY ATTEND CONTRIBUTED TO RISINGLOAN DEFAULTS 3–4 (2015), https://www.brookings.edu/wp-content/uploads/2015/09/LooneyTextFall15BPEA.pdf. ("In addition to being more numerous and in their earliest years of loan repayment after the recession, recent nontraditional borrowers appear to be a particularly high-risk population. They tend to be older when they first enroll, to be from lower-income families, and to live in poorer neighborhoods. They are more likely to be first-generation borrowers. They attend programs they are less likely to complete and, after enrollment, are more likely to live in or near poverty and to experience weak labor market outcomes, outcomes that worsened disproportionately during the recession. And their loan burdens, though smaller on average both in absolute terms and relative to their earnings, have tended to increase faster over time. All these factors contributed to high default rates among nontraditional borrowers.").

[19] *For Profit Higher Education:, supra* note 15, at 122.

education in the United States. The Act addresses critical issues of college affordability, accountability, and opportunity by making substantial and permanent investments in our higher education system to ensure a new generation of students can access and complete a postsecondary degree or credential.

H.R. 4674 Makes College More Affordable

A college education remains the most successful force for upward economic mobility in America.[20] Yet, the rising cost of a college education has kept it out of reach for many individuals. An important cause of this rising cost has been state disinvestment in higher education.[21] Average state appropriation per full-time equivalent (FTE) student fell by 26 percent during the Great Recession and is only slowly recovering.[22]

The Committee strongly believes that a comprehensive federal policy solution is necessary to reverse the trend in state disinvestment that has shifted the burden of funding higher education onto America's working families in a time of stagnant wages.

Federal-State Partnership

H.R. 4674 creates a federal-state partnership known as America's College Promise (ACP)—a grant program that makes a historic mandatory investment in states that agree to make college more affordable and invest in public higher education. The Act draws on and builds upon H.R. 4212, the *America's College Promise Act* as introduced by Rep. Andy Levin (D–MI) in the 116th Congress. This program was first proposed by President Obama in his 2015 State of the Union address and introduced by Committee Chairman Robert C. "Bobby" Scott (D–VA) in the 114th and 115th Congresses. ACP guarantees two years of community college tuition- and fee-free to students in participating states, funded by a mix of state and federal dollars. To access federal grant funds, states must commit to sustained investments in public colleges and state aid programs, creating a powerful incentive to slow state disinvestment and contain college costs. ACP also provides grant aid directly to low-income students who attend Historically Black Colleges and Universities (HBCUs), Tribally Controlled Colleges and Universities (TCCUs), and other Minority-Serving Institutions (MSIs) for up to sixty credits, allowing students who transfer from a community college to an HBCU, TCCU, or MSI to earn a bachelor's degree with little to no tuition cost. ACP further invests in student success and provides the infrastructure for future expansions into debt-free four-year college.

ACP includes four key policy components: a federal-state partnership providing first-dollar tuition waivers at community colleges; a dedicated student success fund; a grant program for low-income

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[20] *Cf.* RON HASKINS, BROOKINGS INSTITUTION, EDUCATION AND ECONOMIC MOBILITY 6 (2016), https://www.brookings.edu/wp-content/uploads/2016/07/02_economic_mobility_sawhill_ch8.pdf. ("Despite the fact that family background helps adult children get ahead or stay ahead, high educational attainment can make a difference by boosting the fortunes of poor children and allowing them both to earn more than their parents and even to surpass the income of many of their peers from wealthier families.").

[21] *The Cost of College: Student-Centered Reforms to Bring Higher Education Within Reach Before the H. Comm. on Educ. & Labor*, 116th Cong. (2019) (Testimony of Douglas Webber, Associate Professor and Director of Graduate Studies Economics Department, Temple University).

[22] JENNIFER MA ET AL., THE COLLEGE BOARD, TRENDS IN COLLEGE PRICING 2018 24 (2018).

students at HBCUs, TCCUs, and other MSIs; and a set of authorizations for expanded affordability guarantees.

Under the first component of ACP, students in states that choose to participate in the federal-state partnership will have access to *first dollar* tuition and fee waivers at any state community college. The first dollar nature of ACP allows students to use other aid, including federal Pell Grants, to offset other costs of college attendance beyond tuition and fees. Participating states are allocated an amount of funding based on a formula that provides, at a minimum, federal funds sufficient to cover 75 of the tuition and fee waivers based on the average cost of tuition and fees at community colleges nationwide. States must provide a match to cover the remaining 25 percent. However, actual federal grant amounts will be influenced by the level of available funding (with specified levels of mandatory funds provided each year) and the number of participating states. Additionally, many states have already made significant progress in reducing or waiving community college tuition. As a result, states that fund community college tuition may receive more funds than are necessary to cover the cost of the tuition waivers, in which case states are authorized to use remaining funds to support the quality and affordability of all public institutions, and to improve college readiness, expand dual enrollment, and enhance the capacity of high-quality programs at two-year institutions. The Committee intends ACP to increase college success as well as access, so it is imperative that participating states use excess funds for the development and expansion of high-quality postsecondary pathways. For example, states using excess funds for dual enrollment programs should seek to adopt quality standards similar to those laid out in the Jumpstart on College grant program authorized in H.R. 4674.[23]

Regardless of how state matching funds are used, under ACP they must supplement, and not supplant, existing state investments. States participating in the federal-state partnership are also subject to maintenance of effort provisions that ensure states maintain a baseline investment in public higher education. States are separately required to maintain baseline spending on operational expenses at public, four-year colleges and on state need-based aid programs. As states dedicate new dollars to meet ACP's matching requirements, the baseline level at which they are required to maintain funding will rise, meaning that states will be increasing investments in public higher education over time. The protection for operational expenses at four-year public colleges means that new funding or community colleges cannot come at the expense of the four-year sector, while the protection for state need-based aid programs ensures low-income students throughout participating states—including those attending public four-year institutions and private non-profit institutions—will continue to have access to vital state-supported grant aid.

Under the second component of ACP, states that join the federal-state partnership have access to a dedicated student success fund to support the adoption and expansion of evidence-based reforms and practices at all public institutions. These practices are already at work in many states. For example, Georgia State University has

[23] *See infra, Dual Enrollment.*

famously made significant progress in improving student outcomes through the expansion of academic and career counseling services that are bolstered by the use of data analytics. There is also an increasing recognition across higher education that improving student outcomes, particularly for low-income students, requires a focus on basic needs, which has led institutions like Bunker Hill Community College and the California State University System to offer comprehensive wraparound services to ensure that students have access to essentials like food, housing, transportation, and child care. As designed, the state match increases the longer states draw down federal dollars from the student success fund. Again, since state matching funds must supplement, and not supplant, existing state investments, as a result of this increased state investment, the baseline levels at which states are required to maintain funding will continue to rise, ensuring robust investment.

The third component of America's College Promise creates three Pathways to Student Success programs that provide grant aid directly to low-income students who attend HBCUs, TCCUs, and MSIs for up to 60 credits. This would greatly reduce costs for low-income students who start at these institutions for the equivalent of the first two years of, while also allowing students who transfer from a community college to an HBCU, TCCU, or MSI to earn a bachelor's degree while paying little to no tuition cost. Like the community college tuition and fee waivers, benefits under the Pathways to Student Success programs are provided on a first-dollar basis, meaning eligible students can use Pell Grants or other aid to pay for non-tuition expenses. Public and private not-for-profit four-year HBCUs, TCCUs, and MSIs are all eligible to participate in this program. These institutions serve a vital role as engines of economic mobility for low-income students and students of color, making it all the more important to include them in ACP and to ensure that the tuition-free community college guarantee does not undercut their ability to attract price-sensitive students. The Pathways to Student Success programs are supported with dedicated mandatory funds that are separate from the funds used for the federal-state partnership.

Lastly, the federal-state partnership establishes the structures necessary to support future investments in four-year debt-free and tuition-free college. If funding is sufficient to support the primary components of ACP, the Secretary of Education (Secretary) can expand the partnership to provide additional affordability guarantees. Using a so-called 'waterfall' approach, H.R. 4674 authorizes expanded guarantees providing debt-free college at two- and four-year institutions (first for Pell Grant recipients, then for all students) and tuition-free college at public four-year institutions. The Secretary is also granted authority to expand tuition guarantees to private non-profit institutions in participating states.

ACP addresses issues of college affordability in a variety of ways. First and foremost, it makes straightforward, reliable, and powerful promises to students about the cost of a college degree through the provision of tuition waivers and direct grant aid. The program covers the cost of tuition and fees on a first-dollar basis provides a clear message to students that college is affordable and accessible, while allowing low-income students to use Pell Grants and other financial aid to pay for non-tuition expenses like books,

transportation, and housing. By focusing a substantial investment on community colleges, HBCUs, TCCUs, and MSIs, ACP ensures that limited federal dollars are focused on historically underserved students and under-resourced institutions enrolling large shares of low-income students and students of color, two of the fastest growing demographic groups in higher education.

Aside from the sustained promise of federal funding, ACP addresses tuition growth resulting from state disinvestment by requiring states to reinvest in higher education and setting robust maintenance of effort requirements going forward. We know cost of college has increased, in large part, due to state disinvestment in postsecondary education. Faced with steep decreases in state funding, colleges and universities have turned to other sources to make up for lost revenue, including higher tuition costs for students and their families. A rigorous study found that decreased state funding accounts for 41 percent of the rise in tuition costs since 2008.[24] By providing sustained public investment via a federal-state partnership that is not subject to discretionary annual appropriations, ACP will incentivize states to reinvest in higher education and slow growth in college costs, thereby making higher education more affordable in the future.

ACP additionally establishes requirements for the adoption of promising and evidence-based institutional reforms and innovative practices at the state level to improve student outcomes and supports states in meeting these requirements through the creation of a dedicated student success fund. In addition to controlling costs, the Committee believes the America's College Promise program will help reduce time to completion and ensure that more students earn high-quality credentials that provide a substantial return on investment, another key issue in addressing college affordability.

The Pell Grant

The Pell Grant is the cornerstone of federal student aid. Federal grant aid targeted at low-income students and families has been an essential tool in expanding access to higher education since 1965.[25] While Democrats successfully championed historic increases in the Pell Grant through the *American Reinvestment and Recovery Act of 2009* (ARRA) and the *Student Aid and Fiscal Responsibility Act of 2010* (SAFRA), those investments have not kept pace with rising costs.[26] In 1975, the maximum Pell Grant covered nearly 80 percent of the cost of attendance at a public four-year school.[27] The maximum Pell Grant award in 2018–19 ($5,920) covers just 29 percent of average tuition, fees, room and board at an in-state, four-

[24] Douglas A. Webber, *State Divestment and Tuition at Public Institutions*, 60 ECON. OF EDUC. REV. 1, 1–4 (2017).

[25] Higher Education Act of 1965, 20 U.S.C. § 1094(a); Education Amendments of 1972, Pub. L. No. 92–318, 86 Stat. 235 (Title IV—Part A, Subpart 1—Basic Education Opportunity Grants); Education Amendments of 1980 Pub. L. No. 96–374, 94 Stat. 1367 (Title IV—Part A—Pell Grants).

[26] In the ARRA, Pub. L. No. 111–5, 123 Stat. 115, Congress provided an additional $17.1 billion for the Pell program, which increased the maximum award from $4,850 to $5,350 in 2009. In the SAFRA, Pub. L. No. 111–152, 124 Stat. 1071 (part of Health Care and Education Reconciliation Act of 2010), the maximum was increased to $5,500 with increases indexed to inflation through 2018.

[27] Spiros Protopsaltis & Sharon Parrott, *Pell Grants—a Key Tool for Expanding College Access and Economic Opportunity—Need Strengthening, Not Cuts*, Ctr. for Budg. & Pol'y Priorities (July 27, 2017), https://www.cbpp.org/research/federal-budget/pell-grants-a-key-tool-for-expanding-college-access-and-economic-opportunity.

year public university; and only 13 percent in a private nonprofit institution.[28] To close this gap, Pell Grant recipients are more than twice as likely to borrow federal dollars as their peers.[29] The Committee believes restoring the purchasing power of the Pell Grant is necessary to elevate the purpose of the Pell Grant program, and is a key pillar of any comprehensive HEA reauthorization.

H.R. 4674 raises the maximum Pell Grant award by $625—the largest year-over-year increase in the program's history—and permanently indexes the award to inflation. The latter policy was adopted from H.R. 4639, the *Pell Grant Sustainability Act*, which was introduced by Rep. Sean Casten (D–IL). The combined result of these two investments is that the grant will cover a larger share of tuition and expenses today, but it will also maintain the purchasing power of the grant for future students. H.R. 4674 additionally incorporates H.R. 4216, Rep. Antonio Delgado's (D–NY) *Strengthening Financial Aid for Students Act*, which would increase income protection allowances for working students and expand lifetime Pell eligibility from 12 to 14 semesters, and H.R. 3334, Rep. Ann Kuster's (D–NH) *Expanding Access to Graduate Education Act of 2019*, which would incentivize on-time graduation and expand the talent pipeline by allowing students to exhaust full Pell eligibility on graduate studies following completion of a bachelor's degree. Taken together, these changes mean that Pell students who complete their undergraduate program in 8 semesters would have an additional 6 semesters of Pell eligibility to dedicate to graduate study. Both H.R. 4216 and H.R. 3334 had Republican cosponsors, demonstrating the bipartisan support for these essential improvements to the Pell Grant program.

H.R. 4674 additionally incorporates H.R. 4073 the bipartisan *Expanding Educational Opportunities for Justice-Impacted Communities Act*, led by Committee member Rep. David Trone (D–MD), which repeals the counterproductive ban on the receipt of Pell Grants among incarcerated individuals. While limited, research shows us that education programs for incarcerated individuals reduce recidivism, and often save more money in terms of criminal justice expenditures in the future than they cost. The bill also ensures these students have access to the information they need about postsecondary opportunities and prevents risky and unscrupulous providers from monopolizing prison education programs. Expanding access to quality postsecondary education among incarcerated students will not only improve reentry and post-release outcomes, resulting in significant return-on-investment and contributing to safer communities across America, it will improve the climate and safety inside prisons, benefitting all incarcerated individuals as well as the staff within correctional facilities.

H.R. 4674 further allows Pell Grants to be used for high-quality, short-term programs that can launch graduates into successful careers, while also giving them a path to a two- or four-year degree. Building on H.R. 3497, the bipartisan *Jumpstart Our Businesses by Supporting Students Act*, introduced by Reps. Cedric Richmond (D–LA) and Anthony Gonzalez (R–OH), H.R. 4674 ensures that before

[28] JENNIFER MA ET AL., *supra* note 22, at 27 (2018).

[29] THE INSTITUTE FOR COLLEGE ACCESS AND SUCCESS, PELL GRANTS HELP KEEP COLLEGE AFFORDABLE FOR MILLIONS OF AMERICANS 1 (2016), https://ticas.org/wp-content/uploads/2020/05/Pell-Grants-Help-Keep-College-Affordable-for-Millions-of-Americans-logo.pdf.

gaining Pell Grant eligibility participating institutions must collaborate with state or local industry or sector partnerships to confirm the value of short-term credentials in the labor market. Students will be able to use Pell Grants for short-term programs that meet the requirements of the Act, including satisfying earnings benchmarks and demonstrating alignment with state or local labor market needs, career pathways (including by providing counseling for students to support their educational and career goals), and longer-term certificate and degree programs. The latter alignment may be achieved within the institution's own programs or in collaboration with partner institutions. Provisions limiting eligibility to public and non-profit institutions that have not been subject to adverse actions or negative actions by accrediting agencies or associations, State or Federal enforcement agencies, or the Secretary over the past five years are included to protect students from being funneled into high-risk and low-quality programs. Institutions must also be on the Eligible Training Provider List maintained by the state under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3512(d)) in order to participate.

As part of the program approval process for short-term programs seeking Pell eligibility under H.R. 4674, institutions must provide an "expected earnings" benchmark that is determined by a related industry or sector partnership and will be used to evaluate the outcomes of completers. The Secretary must then validate the expected earnings of the program. The Committee anticipates that industry and sector partnerships, convened by or acting in partnership with a State or local workforce board, are likely to rely on information available through such boards—to determine expected earnings. This may include information such as state unemployment insurance records; state, regional, and local economic conditions; current job postings; and historical earnings data. But other data collected through State agencies and federal mechanisms could also prove useful in making these determinations. Examples of these other sources include data collected by State community college systems on the earnings of actual credential holders and the U.S. Census Bureau's Post-Secondary Employment Outcomes data. The Committee further expects that, where the aforementioned sources exist and can be determined to be valid and reliable for this purpose, the Secretary will utilize such data as part of the validation process for eligibility of short-term programs for Pell.

Campus-Based Aid

The Federal Work-Study Program (FWS), the Federal Supplemental Education Opportunity Grant (FSEOG), and the Perkins Loan program all provide critical need-based aid to students, administered directly by financial aid officials on college campuses. However, the formulas that allocate funds among schools participating in these programs are not well targeted. As such, the amount of money a participating institution receives under a campus-based aid program now is largely based on how long it has been participating in the program, and not on either the number of students served, or those students level of need. H.R. 4674 phases out the current allocation formulas for these campus-based aid programs, replacing them with formulas based on the level of unmet need at institutions and the percentage of low-income stu-

dents present on campus. To ensure that institutions have time to adjust to the new formula allocations, H.R. 4674 includes a five-year phase-in period and also increases authorization levels for the campus-based aid programs. The Committee believes the changes to these programs highlight the vital role financial aid administrators make in our current higher education funding system, while recognizing that any new federal investments in higher education must be targeted and equitable.

In addition to modernizing the formula for campus based-aid, H.R. 4674 also makes significant changes to each of the campus-based aid programs. First, the bill amends the FWS program to better align students jobs with their intended careers. Additionally, to reward participating institutions that are serving low-income students well, H.R. 4674 includes a bonus allocation for campuses in the top 20 percent of institutions that are enrolling and graduating students receiving Pell Grants. The bill also preserves graduate student participation in the program, providing critical funds to low-income students to access a graduate degree.

Aside from changes to the allocation formulas, H.R. 4674 improves FSEOG by increasing authorization levels for the program. Given that 19% of students in academic year 2015–2016 who received a Pell Grant also received FSEOG,[30] by increasing the authorization levels, the Committee intends to direct more grant aid to low income students and reduce the portion of their need financed by loans. The bill also creates a new competitive grant program for campuses participating in FSEOG to administer emergency grant aid to students outside of the standard financial aid award. James Kvaal, in his testimony before the Committee this Congress on college affordability, stated that, "Low-income students share the complex realities of other low-income Americans, such as the need to support children and other family members, unstable low-wage jobs, and unexpected expenses like car repairs. The underfunded, blunt instrument of our financial aid system has little flexibility to help students meet extra needs or absorb unexpected financial blows."[31]

The Committee believes the emergency grant aid program gives institutions that needed flexibility to help students manage financial emergencies. A flat tire, food insecurity, or loss of housing should not prevent students from obtaining their degrees, and the Committee hopes this program will provide results to be expanded upon in future reauthorizations.

And finally, H.R. 4674 revives the Perkins Loan program. In 2015 with the passage of H.R. 3594, the *Federal Perkins Loan Program Extension Act of 2015*,[32] Congress extended the Perkins loan program for an additional year, but authority to make new loans expired in 2017.[33] Recognizing the need for an additional campus-based loan program to provide flexibility to financial aid administrators, H.R. 4674 restores Perkins by dedicating a sizable portion

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[30] CONG. RSCH. SERV., FEDERAL STUDENT AID TABLES (e-mail on file with the Committee).

[31] *The Cost of College: Student Centered Reforms to Bring Higher Education Within Reach Before the H. Comm. on Educ. & Labor*, 116th Cong. (2019) (testimony of James Kvaal, President, The Institute for College Access and Success at 4).

[32] Pub. L. No. 114–105, 139 Stat. 2219.

[33] *The Federal Perkins Loan Program Provided Money for College or Career School for Students with Financial Need.*, U.S. Dep't of Educ., https://studentaid.gov/understand-aid/types/loans/perkins.

of loan volume from the Direct Loan program to be administered at the campus level. The major difference between these loans and Direct Loans, however, is that administrators could provide needed extra capital to undergraduates and graduates at a fixed five percent interest rate. The new Direct Perkins Loan program maintains the critical elements of the previous program—the fixed interest rate and ability of campus administrators to package Perkins as part of a student's financial aid package—while ensuring that students can easily benefit from the existing protections of the Direct Loan Program such as accessing PSLF and IBR. Prior to the introduction of H.R. 4674, the Committee worked with Rep. Suzanne Bonamici (D–OR) and Rep. Derek Kilmer (D–WA) to incorporate H.R. 792 the *Opportunities for Success Act of 2019* and H.R. 4876 the *Earning Experience Act of 2019* and with Rep. Joseph Morelle (D–NY) and Rep. Katie Hill (D–CA) to incorporate H.R. 4308 the bipartisan CAMPUS Act to introduce standalone bills including these changes to the campus-based aid programs.

Dual Enrollment

Since the last reauthorization of HEA, there has been a marked increase in the utilization of programs that allow students to receive college credit before they get to college. Dual enrollment and early college high school programs allow students to earn college credits at little to no cost to the student while still in high school. Particularly for low-income students, these opportunities promote a college-going culture and allow students to earn college credits at little to no cost, improving the affordability of a college degree. Research suggests that dual enrollment and concurrent enrollment programs increase students' likelihood of enrolling in and completing a postsecondary degree, and that these impacts are stronger for disadvantaged groups.[34] Multiple rigorous studies have shown that early college high schools increase postsecondary enrollment and associate's degree attainment.[35] Other studies examining a range of less-intensive dual enrollment and dual-credit models report similar impacts on enrollment and degree attainment in two-year colleges, but results on their effect on four-year college-going are more mixed.[36] Across studies, outcomes are generally stronger and more positive for underrepresented students of color, first-generation, and lower-income students,[37] suggesting that early college programs may go far in reducing gaps in postsecondary enrollment and attainment. As such, the Committee strongly believes a reau-

[34] ANDREA BERGER ET AL., AMERICAN INSTITUTES FOR RESEARCH, EARLY COLLEGE, CONTINUED SUCCESS: EARLY COLLEGE HIGH SCHOOL INITIATIVE IMPACT STUDY v (2014), https://www.air.org/sites/default/files/downloads/report/AIR%20ECHSI%20Impact%20Study%20Report%20NSC%20Update%2001-14-14.pdf.

[35] E.g., *Id*. at iv–v; Julie A. Edmunds et al., *Smoothing the Transition to Postsecondary Education: The Impact of the Early College Model*, 10 J. OF RSCH. ON EDUC. EFFECTIVENESS 297, 312 (2017).

[36] James Cowan & Dan Goldhaber, *How Much of a "Running Start" Do Dual Enrollment Programs Provide Students?*, 38 REV. OF HIGHER EDUC. 425, 426 (2015); Edmunds et al., *supra* note 36 at 300; Matthew Giani et al., *Exploring Variation in the Impact of Dual-Credit Coursework on Postsecondary Outcomes: A Quasi-Experimental Analysis of Texas Students*, 97 HIGH SCH. J. 200, 211 (2014).

[37] *See*, e.g., Edmunds et al., *supra* note 36 at 316; BERGER ET AL., *supra* note 35, at 15; Brian P. An, *The Impact of Dual Enrollment on College Degree Attainment: Do Low-SES Students Benefit?* 35 EDUC. EVAL. & POL'Y ANAL. 57, 58 (2013); C. Kirabo Jackson, *Do college-prep programs improve long-term outcomes?* 4 (Nat'l Bureau of Econ. Rsch., Working Paper No. 17589, 2012).

thorization of HEA should include policies both to support existing dual enrollment models and to incentivize their replication.

While dual enrollment and college in high school programs show promise in helping students access college, reducing the cost, and decreasing time-to-degree, the impact of these programs is hampered by pervasive inequities in our K–12 system, which result in many low-income students and students of color being denied opportunities to participate in high-quality programs. To ensure that low-income students have access to programs that work, H.R. 4674 creates the Jumpstart to College program. This program targets grants to low-income school districts to create college in high school programs. The bill also provides states with funding to increase student access to early credit pathways, including dual enrollment, early college high schools, and Advanced Placement and International Baccalaureate programs. Prior to introduction, Committee worked with Rep. Antonio Espaillat (D–NY) to introduce H.R. 4108, the *Jumpstart on College Act*, standalone legislation including these provisions.

TEACH Grants

Our nation is currently facing a teacher shortage that is preventing schools from providing the best possible education for our children. More than 100,000 classrooms in elementary, middle, and high schools across the country are impacted by this teacher shortage. These classrooms are currently occupied by individuals who lack the education and skills to effectively teach and prepare children to enter the workforce and become productive members of our society.[38]

To serve as an incentive for individuals to pursue teaching, the Teacher Education Assistance for College and Higher Education (TEACH) Grants were authorized in 2007 to attract individuals into the teaching field and place those teachers in high-need school districts teaching high-need subject areas.[39] If teachers receiving grants failed to meet the service requirements of the program, the upfront grant aid they received would be converted to unsubsidized loans. In 2018, the Department released a review of the program that revealed that thousands of individuals had their grants converted to loans despite meeting the service requirements of the program, often due to issues with paperwork.[40] While the Committee appreciates the steps the Department has taken to address the issues raised about the program, it believes more should and could be done. H.R. 4674 makes significant improvements to the TEACH Grant program with the goal of further reducing the number of recipients who could potentially see their grants wrongly converted to loans.

H.R. 4674 makes reforms to the TEACH Grant program to help ensure that only individuals that did not meet the service requirements see their grants converted to loans. First, the bill changes the annual grant amount from up to $4,000 a year by backloading

[38] DESIREE CARVER-THOMAS & LINDA DARLING-HAMMOND, LEARNING POLICY INSTITUTE, TEACHER TURNOVER: WHY IT MATTERS AND WHAT WE CAN DO ABOUT IT 34 (2017), https://learningpolicyinstitute.org/sites/default/files/product-files/Teacher_Turnover_REPORT.pdf.

[39] College Cost Reduction and Access Act, Pub. L. No. 110–84, 121 Stat. 784, 786 (2007).

[40] ELIZABETH BARKOWSKI ET AL., U.S. DEP'T OF EDUC., STUDY OF THE TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION (TEACH) GRANT PROGRAM 51 (2018), https://www2.ed.gov/rschstat/eval/highered/teach-grant/final-report.pdf.

the grant and allowing only juniors and seniors to receive up to $8,000 each year. This change ensures that only students committed to being teachers receive the grant aid. Further, it is Committee's belief that backloading the grant would allow for individuals to use TEACH Grant funding to offset teacher licensure and credentialing costs. Second, H.R. 4674 requires servicers to be in better contact with grantees about when paperwork is due and requires that grants cannot be converted to loans until an individual cannot mathematically meet their four-year service requirement, as opposed to any initial interruption of service that theoretically could be made up in time. Third, H.R. 4674 provides flexibility for grantees if they have made a good faith effort to meet the requirements of the grant but their school, teacher duties, or subject area no longer meet the initial terms. Fourth, H.R. 4674 directs the Secretary to explore how to streamline the various applications for grants and loan forgiveness available to teachers.

And in a final reform, H.R. 4674 opens up the TEACH grant to individuals pursing an associate's degree in early childhood education. In 2015, the National Academies of Science concluded that a college education should become the norm for early childhood teachers.[41] Currently, only half of teachers in early childhood centers and a third of teachers in home-based settings have either an associate's or bachelor's degree.[42] The Committee believes that the TEACH grants could become an invaluable tool to bring well-educated workers into early childhood settings to ensure a strong start for our nation's youngest children. Prior to introduction of H.R. 4674, the Committee worked with Rep. Frederica Wilson (D–FL), Rep. Mark Takano (D–CA) and Rep. Jahana Hayes (D–CT) to introduce H.R. 4578, the *BETTER TEACH Grants Act of 2019* and with Rep. Abby Finkenauer (D–IA) and Rep. Wilson to introduce H.R. 4342, the *Reducing Extra Teaching Authentication Impacting New Teachers Act*.

Federal Student Loans

H.R. 4674 makes substantial changes to the federal student loan program to increase affordability by ensuring borrowers can repay their loans without struggling financially. Since the last reauthorization of HEA, the student loan volume has increased as more students have had to borrow, and the average loan amount has grown.[43] These drivers of loan volume are themselves due to the combination of state disinvestment and a more socioeconomically diverse student body enrolling in college. Between 2000 and 2016, the share of public college bachelor's degree recipients with federal or private student loan debt increased from 60 percent to 66 percent.[44] In constant dollars, the average student now borrows

[41] INST. OF MED. AND NAT'L RSCH. OF THE NAT'L ACADEMIES., STUDY OF THE TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION (TEACH) GRANT PROGRAM 365–410 (2015), https://www.nap.edu/catalog/19401/transforming-the-workforce-for-children-birth-through-age-8-a.

[42] CTR. FOR OF THE STUDY OF CHILD CARE EMP. INST. FOR RSCH. ON LABOR AND EMP., EARLY CHILDHOOD WORKFORCE INDEX 7 (2016), https://cscce.berkeley.edu/files/2016/Early-Childhood-Workforce-Index-2016.pdf.

[43] CBO, THE VOLUME AND REPAYMENT OF FEDERAL STUDENT LOANS: 1995 TO 2017 4 (2020), https://www.cbo.gov/system/files/2020-11/56706-student-loans.pdf.

[44] *The Cost of College: Student Centered Reforms to Bring Higher Education Within Reach Before the H. Comm. on Educ. & Labor*, 116th Cong. (2019) (testimony of James Kvaal, President, The Institute for College Access and Success).

$27,050 in federal loans to complete a four-year degree—$10,5250 more than in 1999. Students who borrow and complete two-year degrees borrow an average of $18,060 in federal student loans—$9,220 more than in 1999.[45] While federal loans provided these borrowers with the means to enroll in college, families across the nation feel squeezed by the financial pressure of repaying a degree that once cost less. To promote the top level goal of college affordability, H.R. 4674 makes student loan repayment simpler to understand, less expensive, and easier to pay off.

Simpler to Understand

Even without a comprehensive HEA reauthorization, the federal student loan system has undergone major changes in the last decade. In order to better protect borrowers while reducing costs to the government, Congress ended the private, federally guaranteed loan program (Federal Family Education Loan or FFEL) and transitioned into Direct Loans in 2010.[46] To help borrowers manage their debt, Congress and the Obama Administration established several new income-driven repayment plans.[47] The array of income-driven repayment plans, in addition to the three non-income-driven repayment plans, make it difficult for borrowers to navigate and determine the best plan for their financial situation.

H.R. 4674 streamlines the nine current federal repayment plans to just two: a fixed repayment plan and an IBR plan. Under the fixed repayment plan, borrowers repay their loans at a set payment for a set amount of time based on their original loan balance. To improve financial stability for low- and middle-income borrowers, the new IBR plan uses more generous and better targeted repayment terms than current repayment plans. The IBR plan caps monthly payments at 10 percent of a borrower's discretionary income, defined as the portion of their adjusted gross income (AGI) above 250 percent of the poverty line for a single borrower earning less than $80,000 or a married borrower earning less than $160,000. This means that borrowers who earn 250 percent of the poverty line or less ($31,900 for a single person, $41,100 for a borrower in a household of two) pay $0 per month until their earnings reach that threshold. After 20 years of repayment, the IBR plan forgives any remaining undergraduate and graduate debt. These are the only two plans available for new borrowers. Current borrowers have the choice to stay in their current repayment plan but would be encouraged to switch to one of the two new repayment plans. This simplification draws on and builds upon H.R. 4670, the *Simplifying Student Loans Act*, introduced by Rep. Susan Wild (D–PA).

Another problem borrowers face navigating the current repayment system is income verification—the process by which an IBR payment is initially determined. Because a failure to complete income verification can stop borrowers from enrolling in IBR, H.R. 4674 makes enrolling and staying in IBR easier. First introduced in H.R. 4658, the *Empowering Student Borrowers Act*, introduced by Rep. Stephanie Murphy (D–FL), H.R. 4674 allows for verbal, se-

[45] National Center for Education Statistics, *Digest*, Table 331.95 (see note 12).
[46] Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111–152, 124 Stat. 1071 (2010).
[47] JENNIFER MA ET AL., *supra* note 22, at 13 (2018).

cure IBR enrollment. H.R. 4674 also draws on the information-data sharing system between the Department of Education and the U.S. Treasury established in the bipartisan bill entitled the *Streamlining Income-driven, Manageable Payments on Loans for Education* (SIMPLE) Act, H.R. 3833, introduced by Reps. Bonamici, Paul Mitchell (R–MI), Seth Moulton (D–MA), and Brian Fitzpatrick (R–PA) to allow for automatic recertification of income and family size required under IBR plans. The Committee's intent is to reduce the number of borrowers who fall out of IBR and enter delinquency when faced with a fixed payment they cannot afford.

These changes to simplify repayment will also affect other federal student loan programs. For example, changes to repayment will make the PSLF program easier to understand and participate. PSLF was intended to allow teachers, health care professionals, servicemembers, and others working in public and private, nonprofit jobs to benefit from loan forgiveness after 10 years of eligible payments. This benefit was intended for Direct Loan borrowers making payments under both the standard repayment plan and the income-driven repayment plans. Unfortunately, the eligibility requirements were poorly marketed and individuals who were in the wrong repayment plan (i.e. extended or graduated repayment plans) found themselves inexplicably ineligible for forgiveness at the end of the 10 years. A 2018 GAO report on PSLF identified a breakdown in communication between the Department, loan servicers, and student borrowers.[48] The authors found that only 96 of 28,000 applicants received their promised loan forgiveness when the first wave of eligible borrowers applied in 2017—a 99.6 percent denial rate.[49] In response to high denial rates and widespread confusion among borrowers, Congress established the Temporary Expanded PSLF (TEPSLF) program in 2018 to allow borrowers who were in the wrong repayment plan to be eligible. A second GAO report found that, yet again, the Department denied 99 percent of the new TEPSLF applicants.[50] GAO recommended the Department make critical reforms to the program. While the Department agreed with all the recommendations in both reports, at the time of the filing of this report, it has yet to fully implement the recommendations.[51]

The Committee regrets that Department displeasure with the PSLF program has contributed to poor management of the program, and it hopes these new reforms will ensure the Department will work in good faith with public service employees to ensure that paperwork complications and miscommunication by the Department or loan servicers do not prohibit public servants from accessing loan forgiveness.

To that end, H.R. 4674 allows individuals who were previously in the wrong repayment plan to count monthly payments made under those plans as eligible PSLF payments once they opt in to the newly created IBR plan. The Act also simplifies PSLF by allow-

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[48] U.S. GOV'T ACCOUNTABILITY OFF., GAO–18–547, PUBLIC LOAN FORGIVENESS: EDUCATION NEEDS TO PROVIDE BETTER INFORMATION FOR THE LOAN SERVICER AND BORROWERS 16–24 (2018) https://www.gao.gov/assets/700/694304.pdf.

[49] *Id.*

[50] U.S. GOV'T ACCOUNTABILITY OFF., GAO–19–595, PUBLIC LOAN FORGIVENESS: IMPROVING THE TEMPORARY EXPANDED PROCESS COULD HELP REDUCE BORROWER CONFUSION 11 (2019). https://www.gao.gov/assets/710/701157.pdf.

[51] GAO–18–547, AT 25–26 (2018); GAO–19–595 AT 22 (2019).

ing FFEL borrowers to consolidate into a Direct Loan without losing their prior payments, making participation in PSLF more equitable for these borrowers. Additionally, given the changes made to how prepayments are considered, it is the Committee's intent that "pay-ahead" status will no longer interfere with payment counts under PSLF.

H.R. 4674 also expands the PSLF program to allow individuals who work for certain Veteran Service Organizations—such as the American Legion and Veterans of Foreign Wars—and farmers to be eligible for the program. The Act clarifies that a physician working at a non-profit hospital or other health care facility in a state that prohibits the direct hiring of physicians, such as California and Texas, is also eligible to participate in PSLF. Further, the Act allows teachers to count teacher loan payments toward the teacher loan forgiveness program at the same time as PSLF. This change allows teacher borrowers to get their loans forgiven through PSLF faster. H.R. 4674 also makes other reforms recommended by GAO that improve the implementation of the program in order to reduce borrower confusion. The PSLF provisions in the Act draw broadly on H.R. 4391, the *PSLF Modernization Act*, introduced by Reps. Jimmy Panetta (D–CA) and Marcia Fudge (D–OH), and H.R. 2441, the *What You Can Do For Your Country Act*, introduced by Reps. Paul Sarbanes (D–MD) and Mark DeSaulnier (D–CA). It also includes H.R. 3232, the bipartisan *Young Farmer Success Act*, introduced by Reps. Joe Courtney (D–CT) and Glenn Thompson (R–PA) and H.R. 4607, the bipartisan *Stopping Doctor Shortages Act*, introduced by Reps. Josh Harder (D–CA), Paul Cook (R–CA), Joaquin Castro (D–TX), Dan Crenshaw (R–TX), and Karen Bass (D–CA).

To improve servicing specifically, H.R. 4674 makes changes to the Federal Student Aid (FSA) office to better serve borrowers. The FSA office manages a student loan portfolio that affects one out of every six adult Americans and one-third of young adults. Despite its importance, little has been done legislatively to improve FSA operations over the last 20 years. The bill updates FSA's performance goals to ensure students and borrowers are better served. It also transforms FSA's ombudsman into a borrower advocate to provide borrowers with an individual at the Department who can assist in addressing their complaints and concerns. These provisions are from H.R. 4596, the *Student Loan Advocacy Act*, and H.R. 4627, the *Student Borrower Advocate Act*, introduced by Reps. Mary Gay Scanlon (D–PA) and Ilhan Omar (D–MN).

Additionally, H.R. 4674 directs the Secretary to produce a common manual for loan servicing to ensure quality of practice and better borrower satisfaction. This provision is from H.R. 3519, the *Better Service to Borrowers Act of 2019* introduced by Reps. Kim Schrier (D–WA), Colin Allred (D–TX), Casten, and Kendra Horn (D–OK). Collectively, the Committee expects these changes will make it easier for borrowers to understand repayment and will make it simpler for the Department and loan servicers to implement.

Less Expensive

Aside from containing costs, disincentivizing state disinvestment, and lowering dependence on loans, H.R. 4674 also reduces other hidden costs in higher education borrowing. For example, provi-

sions of H.R. 4674 allow current borrowers to take advantage of lower interest rates by giving them a chance to refinance their old debt at the same rates offered to new borrowers. Interest rates on Subsidized Direct Loans are lower now (2.75 percent) than they have been at any point in the last ten years. The Act also allows private student loan borrowers to refinance their private loans into the Direct Loan program at today's interest rates. These provisions come from H.R. 1707, the *Bank on Students Emergency Loan Refinancing Act*, introduced by Rep. Courtney (D–CT).

Additionally, borrowers are currently forced to pay an origination fee each time they borrow money from the government. The fee is a percent of the total loan and the percent differs based on the type of loan. Subsidized and unsubsidized Direct Loan borrowers pay 1.057 percent of their loan amount and graduate students and parent borrowers who borrow PLUS loans pay 4.228 percent of their loan amount.[52] From 2012–17, the federal government charged borrowers more than $8.3 billion in origination fees.[53] Additionally, because interest accrues on the full loan amount—including on the origination fee even though the borrower never receives that money—this provision adds essentially hidden, unnecessary costs to the borrower. H.R. 4674 makes borrowing less expensive by eliminating the origination fees on all federal student loans, a longtime bipartisan policy found in H.R. 3674, the *Eliminating the Hidden Student Loan Tax Act* introduced by Reps. Susan Davis (D–CA), Lloyd Smucker (R–PA), and Sharice Davids (D–KS).

H.R. 4674 also removes interest capitalization penalties that currently accrue when a borrower leaves forbearance and certain deferments. The Committee believes that borrowers who face a financial hardship so great that they must pause their student loan payments should not be penalized with additional debt for taking this action. Individuals who defer their loans due to unemployment or financial hardship would be spared from having the interest capitalized on their loans under H.R. 4674. Borrowers who receive deferments for graduate fellowships and Fulbright Grants would also be spared from interest capitalization. These provisions build on H.R. 4590, the *End Capitalization for Struggling Borrowers Act*, H.R. 4590, introduced by Reps. Danny Davis (D–IL), Casten, and Abigail Spanberger (D–VA).

After the Great Recession, higher education experienced an influx of students, in turn driving up the costs to administer the Pell Grant Program. To generate savings and stabilize the Pell Grant program, subsidized loans for graduate students were eliminated and time limits for subsidized loans were established. While these changes helped defray costs to the government, it also made federal student loans more costly for students. H.R. 4674 overturns these two changes. It allows graduate students to qualify for subsidized loans at the same interest rates available for undergraduate borrowers taking out unsubsidized loans. This provision builds upon H.R. 3418, the *Protecting Our Students by Terminating Graduate Rates that Add to Debt* (POST GRAD) Act, introduced by Rep. Judy Chu (D–CA). H.R. 4674 also eliminates the provision that bars stu-

[52] Origination fees change yearly. The origination fees listed at time of this report are those for loans disbursed on or after 10/1/2020 and before 10/1/2021.

[53] NAT'L ASS'N OF STUDENT FIN. AID ADM'RS ISSUE BRIEF: ORIGINATION FEES (2019), https://www.nasfaa.org/issue_brief_origination_fees.

dents from borrowing subsidized loans after being enrolled in a program for more than 150 percent of the length of the academic program. The elimination of this provision, which is commonly referred to as the Subsidized Usage Limit Applies (SULA) flag, is from H.R. 4502, the *Giving Relief and Dollars to Undergraduates for Adequate Time for Education Act*, introduced by Reps. Casten, Debra Haaland (D–NM), Raja Krishnamoorthi (D–IL) and Sylvia Garcia (D–TX).

Additionally, H.R. 4674 removes interest capitalization after a borrower leaves forbearance and certain deferments. This means individuals who defer their loans due to unemployment or financial hardship would be spared from having the interest capitalized on their loans. Borrowers who receive deferments for graduate fellowships and Fulbright Grants would also be spared from interest capitalization. These provisions build on the *End Capitalization for Struggling Borrowers Act*, H.R. 4590, introduced by Reps. Danny Davis, Casten, and Spanberger.

Easier to Pay Off

Finally, to increase affordability, H.R. 4674 includes further programmatic changes to the federal student loan program to make the act of paying loans simpler for the borrower. While data show that most borrowers do pay off their loans, there are certain borrowers who are at higher risk of defaulting. Research shows that Black bachelor's degree graduates default at five times the rate of white graduates (21 versus 4 percent), and are more likely to default than white dropouts.[54] Other research shows that when compared to other racial groups Black Americans have substantially less familial wealth to fall back on in the event of a job loss or other economic stressor.[55] Familial wealth notwithstanding, the chance of default for all borrower increases significantly if they attend a for-profit institution. Students attending for-profit colleges are at particularly high risk of default—more than two-thirds of Black dropouts who ever attended a for-profit college default within twelve years.[56] In fact all students who do not graduate are also more likely to default than their peers.[57]

Defaulting on student loans is among the worst outcomes for students. Over one million borrowers default a year, suffering punitive consequences that can follow them for a lifetime.[58] The Committee firmly believes it is in the best interest of both the federal government and borrowers to make every effort to keep borrowers who are trying to repay their loans out of default. To protect struggling borrowers from the severe consequences of default, H.R. 4674 automatically places borrowers who are more than 120 days delinquent

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[54] Judith Scott-Clayton, *The Looming Student Loan Default Crisis Is Worse than We Thought*, 2 EVIDENCE SPEAKS REPS. #34, 2 (2018) https://www.brookings.edu/wp-content/uploads/2018/01/scott-clayton-report.pdf.

[55] *See, e.g.*, Kriston McIntosh et al., *Examining the Black-white wealth gap*, BROOKINGS (Feb. 27, 2020) https://www.brookings.edu/blog/up-front/2020/02/27/examining-the-black-white-wealth-gap/ ("Wealth is a safety net that keeps a life from being derailed by temporary setbacks and the loss of income.").

[56] Scott-Clayton, *supra* note 54, at 9.

[57] Lindsay Ahlman, *Casualties of College Debt: What Data Show and Experts Say About Who Defaults and Why* 4 THE INST. FOR COLL. ACCESS & SUCCESS, (Jun. 14, 2019) https://ticas.org/wp-content/uploads/legacy-files/pub_files/casualties_of_college_debt_0.pdf.

[58] NEHA DALAL & JESSICA THOMPSON, THE INST. FOR COLL. ACCESS & SUCCESS, THE SELF DEFEATING CONSEQUENCES OF STUDENT LOAN DEFAULT 1 (2018) https://ticas.org/wp-content/uploads/legacy-files/pub_files/ticas_default_issue_brief.pdf.

into the newly formed IBR plan. This change will hopefully prevent borrowers who have a financial impediment from defaulting by modifying their payment to match their income. H.R. 4674 also removes the existing burdensome paperwork requirements for loan discharge of borrowers who are totally and permanently disabled by requiring the Secretary of Education to establish procedures to obtain income information during the three-year monitoring period currently required by HEA without further borrower action. These provisions are based on H.R. 3833, the bipartisan SIMPLE Act, referenced earlier.

H.R. 4674 improves the process for borrowers attempting to rehabilitate defaulted loans. It allows previously defaulted borrowers who have made nine payments required under current law to rehabilitate their loan to be automatically placed into IBR to help them smoothly transition from rehabilitation to repayment. Further, the bill allows a servicer to remove default from borrowers credit reports after they have consolidated their loans or paid them off in full. This is currently only available to borrowers that rehabilitate their loans. These provisions are from H.R. 4395, the *Clean Slate through Consolidation Act*, introduced by Reps. Haley Stevens (D–MI) and Debbie Mucarsel-Powell (D–FL) and H.R. 4396, the *Clean Slate through Repayment Act*, introduced by Mucarsel-Powell.

Current law penalizes some borrowers due to life circumstances unrelated to loan repayment, like divorce. H.R. 4674 allows individuals who previously consolidated their student loan debt with their spouse's debt to separate their remaining balance and only be held liable for their share. These provisions are from the bipartisan bill entitled the *Joint Consolidation Loan Separation Act*, H.R. 2728, introduced by Reps. David Price (D–NC), Bradley Byrne (R–AL), and Stevens.

H.R. 4674 also helps parents who have taken out loans to support their children's college education to more easily pay off debt. Under current law, Parent PLUS borrowers are ineligible to make payments on those loans based on their income. The Act allows both Parent PLUS loans and consolidation loans that repay Parent PLUS loans to be eligible for IBR. This provision is from the H.R. 3353, the *Parent PLUS Loan Improvement Act of 2019*, introduced by Rep. Fudge. Additionally, H.R. 4674 extends total and permanent disability forgiveness to Parent PLUS loan holders if their student sustains a total and permanent disability. This provision is based on H.R. 2180, *Domenic and Ed's Law*, introduced by Rep. James Langevin (D–RI).

Simplifying the FAFSA and Providing Better Financial Aid Information

Each year, thousands of eligible students fail to apply for financial aid, causing them to leave money on the table and, in many cases, delay or abandon postsecondary enrollment. H.R. 4674 takes a number of steps to simplify the FAFSA, particularly for the lowest income students for whom FAFSA completion represents a significant barrier. Prior to the introduction of H.R. 4674, the Committee worked with Reps. Lauren Underwood (D–IL), Lucy McBath (D–GA), Gregorio Kilili Camacho Sablan (D–MP), and Lloyd Doggett (D–TX) to introduce standalone versions of these provisions.

H.R. 4674 reduces the number of questions on the FAFSA by placing the applicant into one of three pathways based on the complexity of a student's finances. Importantly, students who have benefited from, or whose families have benefited from, a means-tested federal benefit during the two years prior to application will automatically be determined to have no expected family contribution (EFC), thereby maximizing their federal eligibility without requiring them to provide any additional information. The Act also increases the income threshold for qualifying for the so-called automatic zero EFC to $37,000 and requires dependent and independent students who receive Pell Grants to file the FAFSA only one time. The bill also makes necessary changes to conform with changes in federal tax forms resulting from the *Tax Cuts and Jobs Act* (PL 115–97).

H.R. 4674 increases support for working students and provides the FAFSA in multiple languages, among other improvements. It also extends a current-law benefit for the dependents of police officers and active duty members of the military who are killed in the line of duty to the spouses of those individuals. Individuals who meet the qualifications of the section are deemed to have a zero EFC, allowing them to maximize their eligibility for federal student aid.

Students who successfully complete the FAFSA often face further confusion due to wide variation in the structure, quality, and accuracy of financial aid offers, also known as award letters. To remedy this problem, H.R. 4674 incorporates language from the bipartisan FACT Act offered by Reps. Lori Trahan (D–MA) and Smucker, which requires the Secretary of Education to establish requirements for standardizing financial aid offers based on extensive consumer testing and stakeholder input. Under the Act, each financial aid offer will also include a standardized quick reference box which will provide the most important information for comparing aid offers from multiple institutions. H.R. 4674 additionally incorporates provisions from H.R. 1915, the bipartisan *Net Price Calculator Improvement Act* introduced by Reps. Elijah Cummings (D–MD) and Brett Guthrie (R–KY) to make improvements to the Net Price Calculator system, so that prospective students may have a more accurate understanding of the true cost of college.

In order to ensure that students receive accurate estimates of college costs and to enhance the reliability of the federal aid system, H.R. 4674 sets requirements for the calculation of estimates of off-campus room and board. Under current law, institutions have complete discretion over how to determine these estimates. Research has uncovered significant variation in housing cost estimates among institutions located in the same city or region, raising concerns about the accuracy and reliability of the cost of attendance figure.[59] Under- and over-estimates of cost of attendance can both have major consequences for students. For example, underestimating living costs can make an institution's total cost of attendance look artificially low while limiting a student's access to financial aid and ultimately make it harder for them to afford and persist in college. Overestimating cost of attendance can result in

[59] Robert Kelchen, et al., *The Costs of College Attendance: Examining Variation and Consistency in Institutional Living Cost Allowances*, 88 J. OF HIGHER EDUC. 966–67, (Mar. 2017).

an institution capturing a disproportionate amount of funds through campus-based aid programs because allocation formulas for such programs rely on levels of unmet need, which in turn are based on cost of attendance and expected family contribution. Furthermore, debt-free college models rely heavily on an accurate estimate of total cost of attendance, so ensuring the validity and reliability of the off-campus living cost component will be essential to ongoing policy development in that area.

Recognizing these issues and the need to provide more accurate information to students on college costs, H.R. 4674 requires the Secretary to prescribe at least one methodology for institutions to use in determining the cost of room and board for students living off campus for the purpose of calculating the projected cost of attendance. These provisions are designed to ensure the accuracy of off-campus living estimates while leaving institutions the discretion necessary to accurately reflect contextual variations and nuances of different student populations. The Committee realized the unique geography of an institution and the surrounding area might mean that a single, federally-proscribed methodology is not appropriate. Standard guidelines that are county-level, for example, may not be appropriate for a school, if the costs of off-campus housing that is convenient to the school or where most students live deviates from county-averages. Availability of public transportation also affects where students are able to live and therefore, their costs. In recognition of these facts, the Act explicitly allows the Department to offer multiple methodologies and provides a waiver for institutions that opt out of using the methodology or methodologies developed by the Department. The requirements of H.R. 4674 are not intended to require total consistency within regions but are instead designed to ensure accurate cost estimates upon which students, families, and policymakers can rely.

H.R. 4674 Improves the Quality of Higher Education

Over the last decade many large for-profit college companies have collapsed abruptly, leaving tens of thousands of students with no degree, high debt loads, and few options. To protect students from predatory actors and better address school closures, H.R. 4674 strengthens the role of each entity responsible for oversight in higher education—accreditors, states, and the federal government. It further provides institutions with necessary support to meet standards and reinstates critical consumer protections that were abandoned by the Trump Administration.

90/10 Rule

The federal government has a crucial role in ensuring appropriate administration of federal student aid funds and evaluating institutional eligibility to participate in federal student aid programs under title IV of the HEA. H.R. 4674 takes several steps to strengthen federal oversight to protect students and taxpayers.

For-profit institutions have, by definition, a fiduciary duty to shareholders to maximize profits. This duty creates a set of goals for for-profit colleges that simply do not exist for non-profit institutions. For for-profit institutions, success is determined by how much tuition money is brought in and not solely by the quality of education provided to students. Due to this incentive, the for-profit

sector has been riddled with fraud and abuse for decades, dating back to the expansion of federally funded educational aid to students for college, beginning with the original G.I. Bill.[60]

The incentives of for-profit colleges often result in high costs and poor outcomes. In the 2018–19 year, average tuition and fees at a two-year for-profit college was nearly five times that of a two-year public institution ($15,360 vs. $3,313 respectively).[61] Considering costs to both students and taxpayers, research shows that the cost to society of for-profit college is roughly $15,600 more per student per year than for students in community college.[62] Further, research on the sector shows that the costs to students and society are much higher in for-profits relative to other sectors and that the outcomes of students attending for-profit colleges are worse on nearly every measure, including debt, default, and earnings, even after controlling for differences in student background characteristics.[63]

Some members of the Committee have claimed that costs in higher education are linked to an increase in available federal aid, so that when the federal government provides more aid, schools raise their costs to capture more of it. Research demonstrates that this hypothesis only applies to the for-profit sector, which is the only sector of higher education where institutions have been shown to raise tuition to attract more federal student aid dollars rather than provide a higher-quality education. In one study, aid-eligible for-profit colleges charged tuition that was 78 percent higher than similar for-profits that did not receive aid.[64] In light of this, the Committee believes it is critical to have safeguards are in place for institutions that present the highest level of risk to students and taxpayers—especially those that rely on federal dollars to pay shareholders and generate profit.

To ensure that for-profit colleges offer high-quality programs, Congress implemented what is now known as the 90/10 rule. Under this statutory requirement, each for-profit institution must derive at least 10 percent of its revenue from non-title IV dollars. This provision is meant to serve as a market-based consumer check on programs; if the for-profit school was offering high-quality programs, the institution should be able to attract at least 10 percent of its revenue from sources outside of the federal government.[65] The HEA originally required for-profit institutions to derive at least 15 percent of its revenue from non-title IV funds, but Con-

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[60] Six years after the passage of the Serviceman's readjustment Act (which included the G.I. Bill of Rights), the 81st Congress established the House Select Committee to Investigate Educational, Training, and Loan Guaranty Programs Under the GI Bill. Continued into the 82nd Congress, the Select Committee eventually established investigatory case files on over 258 different for-profit and non-profit institutions.

[61] Institute of Education Sciences, Digest of Education Statistics, Table 330.10, (2019) https://nces.ed.gov/programs/digest/d19/tables/dt19_330.10.asp.

[62] Stephanie Riegg Cellini, *For-Profit Higher Education: An Assessment of Cost and Benefits*, 65 NAT'L TAX J. 153 (2012).

[63] *See* Stephanie Riegg Cellini & Nicholas Turner, *Gainfully Employed? Assessing the Employment and Earnings of For-Profit College Students Using Administrative Data*, 54 J. OF HUM. RES. 342, 356–58 (2019); *see generally* Stephanie Riegg Cellini, & Cory Koedel, *The Case for Limiting Federal Student Aid to For-Profit Colleges*, 36 J. POL'Y ANALYSIS & MGMT: POINT/COUNTERPOINT 934, 936–37 (Fall 2017) (review of research literature on this topic).

[64] Stephanie Riegg Cellini & Claudia Goldin, *Does Federal Student Aid Raise Tuition? New Evidence on For-Profit Colleges*, 6 AM. ECON. J.: ECON. POL'Y, 174, 201 (2014).

[65] SHANNON M. MAHAN, CONG. RSCH. SERV., EXAMINATION OF THE 90/10 RULE AND ITS LEGISLATIVE AND REGULATORY HISTORY 7 (2011) [hereinafter CRS 90/10 MEMO] (on file with Committee).

gress lowered this threshold to 10 percent in 1998.[66] Congress further weakened this metric in 2008, by allowing institutions to continue to participate in title IV even after failing to derive funds from non-title IV funds. An institution who fails the metric twice loses access to title IV.[67]

The current 90/10 metric also has large loopholes that are exploited by the for-profit sector: GI Bill funding and other federal funding are not counted as federal aid in the 90 percent. The rule therefore creates a perverse and powerful incentive for for-profit institutions to aggressively recruit student veterans. The result is that an institution can effectively generate 100 percent of its revenue from taxpayer dollars rendering the market-based check on quality ineffective. Further, many for-profit institutions have looked to avoid the 90/10 rule and other sector-specific accountability requirements in HEA by converting to non-profit institutions.

H.R. 4674 closes these critical loopholes in the current 90/10 rule by counting veterans' benefits and all other federal benefits in addition to funds under title IV of HEA in the federal share, ensuring that 90/10 is a meaningful measure of a for-profit institutions' financial viability and risk to taxpayers. It also restores the proportion back to 85/15 and makes the requirement a portion of the definition of institutional eligibility. The Committee believes this will strengthen the market-based test of value and restore the efficacy of this longstanding metric, as originally intended by Congress. To ensure that institutions have time to come into compliance, H.R. 4674 phases in these changes, requiring institutions to meet the new requirements of 85/15 starting in July 1, 2022 and eliminates the two-year provisional participation for failure, starting on July 1, 2023. H.R. 4674 also includes provisions that require the Sercretary to create a transparent process for for-profit institutions applying to convert to non-profits and requires that such institutions applying to convert to non-profits and requires that such institutions abide by all rules and regulations that apply to for-profit institutions for the first five years after conversion. These provisions were included in H.R. 4725, the *Students Not Profits Act*, introduced by Rep. Pramila Jayapal (D–WA).

Gainful Employment and Borrower Defense

H.R. 4674 reverses decisions by the Trump Administration to rollback consumer protections in higher education. Notably, H.R. 4674 reinstates both the Gainful Employment rule and the Borrower Defense to Repayment regulation put in place by the Obama Administration and subsequently rescinded by the Trump Administration.

The Gainful Employment rule is designed to hold career programs at both for-profit and private non-profit institutions accountable for student outcomes. Research on this sector is clear: students leaving for-profit colleges have lower earnings and higher debt than similar students in the public sector, even after controlling for differences in student demographics. In the most comprehensive study on the topic, students in for-profit certificate programs had annual

[66] CRS 90/10 MEMO at 6.
[67] CRS 90/10 MEMO at 2.

earnings that were $2,100 lower and debt that was $5,000 higher than similar students in similar public sector programs.[68] In light of these differences, it is not surprising that for-profit student borrowers are more likely to default on their student loans. Among all new students entering the for-profit sector in 2004, nearly half had defaulted within 12 years (47 percent)—a default rate nearly four times the rate seen in other sectors.[69] H.R. 4674 ensures that students in career programs and for-profit colleges are not left with insurmountable debt.

The original 1965 HEA did not allow for-profit colleges or non-degree training programs in other sectors to access federal student aid.[70] Changes in 1968 and 1972 allowed these colleges and programs to access title IV under the condition that they "prepare students for gainful employment in a recognized occupation" [71] but the term "gainful employment" was left undefined.[72] Without a definition of gainful employment, these programs received unfettered access to taxpayer dollars with no accountability for student outcomes. In 2014, the Obama Administration established a definition of gainful employment based on a graduates' debt and earnings. H.R. 4674 requires the Secretary of Education to reestablish a compliance standard for gainful employment that includes a debt-to-earnings metric similar to the thresholds established in the 2016 rule. This metric will ensure that for-profit programs cannot leave students with more debt than they can repay. Additionally, H.R. 4674 requires programs that abide by the Gainful Employment rule to disclose certain information to students. Given the incidents of programs burying the disclosures on websites, it is the Committee's intent that the institutions find clear and conspicuous ways to disclose the information to its students via its website.

The Committee recognizes that the gainful employment metric plays a critical role in protecting students and incentivizing institutions to reduce tuition and close low-performing programs. In the first round of data released under Gainful Employment in 2017, 29,000 programs across all sectors were subject to the rule. More than 800 programs failed the Gainful Employment metric, 98 percent of them were offered by for-profits.[73] The evidence also shows that the 2014 rule also prompted many institutions to either close the worst performing programs or improve program quality.[74] Even former Rep. Steve Gunderson (R–WI), the recently-retired president of the Career Education Colleges and Universities (CECU), the trade association representing for-profit colleges, admitted to

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[68] Cellini & Nicholas Turner, *supra* note 63 at 342, 352, 356.

[69] Judith Scott-Clayton, *The Looming Student Loan Default Crisis Is Worse than We Thought*, 2 EVIDENCE SPEAKS REPS. #34, 2 (2018) https://www.brookings.edu/wp-content/uploads/2018/01/scott-clayton-report.pdf.

[70] *See* BOB SHIREMAN, THE CENTURY FOUNDATION, THE POLICIES THAT WORK—AND DON'T WORK—TO STOP PREDATORY FOR-PROFIT COLLEGES 10 (2019) https://production-tcf.imgix.net/app/uploads/2019/05/20105707/Shireman_9policies_FinalPDF1.pdf.

[71] *See Ass'n of Proprietary Colls.* v. *Duncan,*No. 1–14–cv–08838 at 7–8 (S.D.N.Y. May 27, 2015).

[72] Interview by Yan Cao with Bob Shireman "Betsy Devos's Shameful Repeal of the Gainful Employment Rule," The Century Foundation (July 1, 2019) https://tcf.org/content/commentary/betsy-devoss-shameful-repeal-gainful-employment-rule/#easy-footnote-bottom-2.

[73] Andrew Kreighbaum, *Overburdened with Debt*, INSIDE HIGHER ED, Jan. 10, 2017 https://www.insidehighered.com/news/2017/01/10/federal-data-show-hundreds-vocational-programs-fail-meet-new-gainful-employment.

[74] Kevin Carey, *DeVos Is Discarding College Policies That New Evidence Shows Are Effective*, N.Y. TIMES (June 30, 2017) https://www.nytimes.com/2017/06/30/upshot/new-evidence-shows-devos-is-discarding-college-policies-that-are-effective.html.

the New York Times that the Gainful Employment rule had made for-profit institutions more affordable and responsive to the labor market.[75] Finally, new research also shows that restricting title IV eligibility from low-performing for-profit institutions shifts students to higher-performing public institutions, potentially lowering debt and default.[76]

In addition to Gainful Employment, H.R. 4674 also reinstates the Borrower Defense of Repayment rules promulgated in 2016. Borrower Defense is a key consumer protection—allowing student loans to be discharged for students who were defrauded by their institution. HEA allows students to assert a defense to repayment of a federal student loan and allows the Secretary to define under what circumstances students have a right to relief. Although the Borrower Defense provision has been in law since 1995, it provided little detail on the process borrowers could use to receive a loan discharge and the Department's process to adjudicate claims.

Given the abrupt closure of Corinthian Colleges in 2015 that left thousands of students without many options to finish their degrees and with high student loan debt, the Obama Administration rewrote the Borrower Defense regulations to standardize the processing of submitting and reviewing claims.[77]

There have been numerous high-profile closures of national for-profit college chains since 2015 with ITT Technical Institutes closing in 2016, Education Corporation of America shutting down in 2018, Vatterott College also closing in 2018, and most recently Dream Center owned schools Argosy and the Art Institutes closing in 2019. These closures have left thousands of students without many options to continue their education and with high amounts of debt. As of September 2019 the Department had discharged hundreds of millions in debt of students impacted by these closures, but there are still thousands of students waiting for relief.[78]

Despite these continued abrupt closures, the Trump Administration not only weakened Borrower Defense, making it more difficult for borrowers to qualify, but has altogether stopped processing student claims. The Trump Administration refused to process a single claim for more than two years, allowing the backlog to grow to more than 200,000 borrower defense claims waiting to be processed.[79] Secretary DeVos and the Department were found in contempt of court and ordered to pay a $100,000 fine for violating an order to stop collecting on loans owed by Corinthian College students.[80] When the Department finally started to process claims in December 2019, it implemented a flawed "partial relief" method-

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[75] Erica Green, *DeVos Ends Obama-Era Safeguards Aimed at Abuses by For-Profit Colleges*, N.Y. TIMES A1 (Aug. 11, 2018) https://www.nytimes.com/2018/08/10/us/politics/betsy-devos-for-profit-colleges.html.

[76] Stephanie R. Cellini et al., *Where Do Students Go When For-Profit Colleges Lose Federal Aid?* 4 (Nat'l Bureau of Econ. Rsch., Working Paper No. 22967, 2016).

[77] Borrowers Defense Final Regulation, 81 Fed. Reg. 75,926 (Nov. 1, 2016) https://www.federalregister.gov/documents/2016/11/01/2016-25448/student-assistance-general-provisions-federal-perkins-loan-program-federal-family-education-loan.

[78] *See* Press Release, U.S. Dep't of Educ., American Career Institute Borrowers to Receive Automatic Group Relief for Federal Student Loans (Jan.13, 2017) https://www.ed.gov/news/press-releases/american-career-institute-borrowers-receive-automatic-group-relief-federal-student-loans.

[79] U.S. Dep't of Educ., Borrower Defense Quarterly report, June 2019. https://studentaid.ed.gov/sa/about/data-center/student/loan-forgiveness/borrower-defense-data.

[80] Erica L. Green & Stacy Cowley, *Betsy DeVos Is Held in Contempt Over Judge's Order on Loan Collection, N.Y.* TIMES A18 (Oct. 24, 2019) https://www.nytimes.com/2019/10/24/us/politics/education-dept-loan-repayments-corinthian.html.

ology that provided less relief than the Department had originally recommended for defrauded students.[81] Students who were defrauded by predatory institutions are entitled to have their loan discharged under the law—and discharged quickly. The borrower defense provision in H.R. 4674 reestablishes the Obama Administrations processes, including the establishment of a timeline for the fair and expeditious resolution of claims, so that future administrations cannot continue to delay processing while students suffer.

Accountability for All Institutions

In addition to reinstating important Obama-era consumer protections, H.R. 4674 further strengthens the federal government's ability to hold institutions accountable for student outcomes and taxpayer dollars under title IV of HEA.

Improving Accountability Metrics

One of the most important tools for title IV accountability has traditionally been the Cohort Default Rate (CDR), which is the percentage of a school's borrowers that default on their loans within three years. Colleges may lose access to title IV if CDRs exceed certain thresholds. In fulfillment of GAO recommendations,[82] H.R. 4674 improves the CDR metric by adjusting for the share of borrowers at an institution and the number of borrowers who are in long-term forbearance. Additionally, instead of allowing institutions to remain under a certain threshold without requiring them to improve further, the bill establishes multiple thresholds and requires institutions to improve. Public and non-profit institutions with a large share of low-income students and a high adjusted CDR can receive technical and financial support from the Department to improve student outcomes.

The GAO also recommended the development of an additional loan repayment metric for title IV eligibility.[83] Although default is the worst outcome for a borrower, that measure alone may be insufficient for assessing institutional quality. This is particularly true as the Committee anticipates changes to HEA made by H.R. 4674 will result in more student borrowers participating in income-driven repayment plans, significantly reducing the likelihood of default and rendering the CDR less useful for institutional accountability.

H.R. 4674 establishes a new on-time loan repayment metric for accountability. The metric is based on the percentage of students who have paid at least 90 percent of their monthly payments over three years of repayment. Students with a zero balance (including those with a zero-dollar monthly payment under income-driven repayment plans) or in certain types of forbearance and deferments (including educational and military deferment) are considered paid. As this is a new metric, the bill allows for three years of data collection and for the Secretary to determine appropriate timelines

[81] Press Release, U.S. Dep't of Educ., Secretary DeVos Approves New Methodology for Providing Student Loan relief to Borrower Defense Applicants (Dec. 10, 2019) https://www.ed.gov/news/press-releases/secretary-devos-approves-new-methodology-providing-student-loan-relief-borrower-defense-applicants.

[82] U.S. GOV'T ACCOUNTABILITY OFF., GAO–18–163, FEDERAL STUDENT LOANS: ACTIONS NEEDED TO IMPROVE OVERSIGHT OF SCHOOLS' DEFAULT RATES 32 (2018) https://www.gao.gov/assets/700/691520.pdf.

[83] *Id.*

and thresholds to ensure that a significant percentage of students in each institution meet the 90 percent on-time repayment metric. Institutions failing the new on-time repayment rate metric would be subject to loss of title IV eligibility, unless they can demonstrate substantial investments in instruction and student services.

The on-time repayment metric has several important components to ensure accountability. First, it is a student-based metric, rather than a dollar-based metric, meaning that it treats all borrowers from an institution equally and ensures that the poor outcomes of students who dropout do not get masked by a small number of successful completers.[84] Second, in contrast to "balance-based metrics" or "paydown tests," where repayment is based on the amount of principal repaid, the on-time repayment rate does not disproportionately penalize institutions with a large number of borrowers in income-driven repayment (IDR) plans or students who attend multiple institutions. Research demonstrates that balance-based metrics are not well-aligned with the goals or structure of IDR plans and may not capture progress in repayment outside of the first few months, even for standard plans.[85] Students in IDR plans may be meeting the terms of their repayment plan, but may nevertheless have monthly payments that are not large enough to fully cover interest, resulting in a failure under a paydown test. Balance-based repayment metrics may further penalize institutions for students who attend and accrue debt from other institutions, by attributing lack of repayment on the total loan balance as a lack of repayment for each institution.[86] The on-time repayment rate circumvents this problem by focusing on the proportion of payments made on time and by allowing time spent in other institutions to count as paid.

Third, by measuring on-time repayment over the full three years rather than simply at the end of a three-year period, the metric rewards institutions whose students demonstrate consistent repayment success over time, rather than simply reflecting their status (or creating incentives for repayment) at an arbitrary point in time. And, like other repayment rates, the on-time repayment rate generates clear incentives for institutions to help reduce debt (i.e. by lowering tuition) and provide high-quality education to ensure that students develop the tools and skills they need for a successful career that enables them to meet the terms of their repayment plan.

Incentive Compensation

H.R. 4674 improves the enforcement of the incentive compensation ban to protect students from harmful and predatory recruitment tactics. An investigation by the GAO documented misleading and deceptive recruiting practices at each of fifteen campuses they

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[84] *Reauthorizing the Higher Education Act: Accountability and Risk to Taxpayers Before the S. Comm. On Health, Educ., Lab. & Pensions*, 115th Cong. (2018) (statement of Ben Miller, Sr. Dir. for Postsecondary Educ., Ctr. for Am. Prog.) https://www.help.senate.gov/imo/media/doc/Miller16.pdf.

[85] Johnathan G. Conzelmann, et al., *Another Day Another Dollar Metric: An Event History Analysis of Student Loan Repayment*, EDUC. FIN. & POL'Y 627, 641–42 (2018). https://www.researchgate.net/publication/325519977_Another_Day_Another_Dollar_Metric_An_Event_History_Analysis_of_Student_Loan_Repayment (23–24).

[86] Ben Miller, *The Value of an On-Time Repayment Rate*, CTR. FOR AM. PROG. (October 24, 2019, 9:03 am) https://www.americanprogress.org/issues/ education-postsecondary/news/2019/10/24/476318/ value-time-repayment-rate/.

visited.[87] In 2019 Career Education Corporation (CEC), a large multi-state for-profit college chain, settled two separate cases amidst evidence that the schools engaged in misleading and deceptive recruiting practices. One case brought by 49 Attorneys General alleges CEC used "emotionally charged language emphasizing the pain in prospective students" lives to pressure them into enrolling," misrepresented how school credits could be transferred to other schools and told admissions counselors to withhold important information about tuition costs.[88]

Furthermore, some institutions participating in title IV currently have arrangements to pay a separate entity a percentage of tuition revenue if the entity is involved with both recruitment of students and the provision of other services to the institution. It is the Committee's view that these arrangements are trying to find a loophole in HEA where none exists and are in violation of the intent of the law's prohibition on incentive compensation.

H.R. 4674 creates a new undercover monitoring program to effectively enforce existing provisions to ensure that schools are deterred from deceptive and misleading recruiting practices. This is a carefully constructed program that is designed to meet and address a well-documented problem. The Committee believes these provisions will create an effective deterrent to misconduct, while doing so in a way that incorporates best practices and important safeguards.

Financial Responsibility

The financial responsibility composite score is an important tool for the Department to effectively identify institutions at risk of closing in order to effectively protect students. However, as Melissa Emrey-Arras of the GAO stated in her testimony during the Committee's bipartisan hearing on accountability, "the limitations of Education's financial composite score hamper its effectiveness at identifying at-risk schools."[89] Further, GAO found that "the composite score's inconsistent performance in identifying at-risk schools is due in part to limitations of the underlying formula and the fact that it has remained unchanged for more than 20 years."[90]

H.R. 4674 requires the Department to undertake a negotiated rulemaking process to reform the composite score calculation methodology in coordination with finance and accounting professionals and further instructs the Inspector General to conduct audits of the composite score every two years to ensure the composite score is accurately reflecting robust and accepted accounting principles. To ensure the Department can better focus on financially risky institutions,H.R. 4674 provides a pathway for high-performing colleges and universities which have received an investment grade rating from a recognized credit rating agency using existing robust indus-

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[87] U.S. GOV'T ACCOUNTABILITY OFF., GAO–10–948T, FOR PROFIT COLLEGES: UNDERCOVER TESTING FINDS COLLEGES ENCOURAGED FRAUD AND ENGAGED IN DECEPTIVE AND QUESTIONABLE MARKETING PRACTICES 1 (2010) https://www.gao.gov/assets/130/125197.pdf.

[88] Ian Stewart, *Nearly 180,000 Students Won't Have To Repay Loans From For-Profit Higher Ed Company*, NAT'L PUB. RADIO (Jan. 3, 2019) https://www.npr.org/2019/01/03/682057881/nearly-180–000-students-wont-have-to-repay-loans-from-for-profit-higher-ed-compa.

[89] *Strengthening Accountability in Higher Education to Better Serve Students and Taxpayers: Hearing Before the Subcomm. on Higher Educ. & Workforce Inv. of the H. Comm. on Educ. & the Workforce*, 116th Cong. 10 (Written testimony of Melissa Emrey-Arras, Dir., Educ., Workforce, & Income Sec. U.S. Gov't Accountability Off.).

[90] *Id.*

try and professional standards to bypass portions of this scheme, recognizing independent verification of their financial strength. The Committee further expects the Department to follow more closely existing statutory requirements to ensure that the financial responsibility of an institution is accurately reflected.

H.R. 4674 also includes certain automatic, mandatory, and discretionary triggering events that would allow the Secretary to revaluate an institution's financial circumstances in order to collect financial guarantees from institutions at risk of closure, better protecting students and taxpayers.

Advertising

H.R. 4674 makes further improvements to federal oversight of title IV by ensuring that institutions that do not make significant investments in student learning cannot use taxpayer dollars on marketing and advertising. A 2010 GAO report[91] and a subsequent investigation by the Senate HELP Committee,[92] drew the Committee's attention to the aggressive and deceptive recruitment practices of for-profit colleges. With industry reports of advertising spending in higher education reaching all-time highs,[93] and numerous allegations of false advertising and misrepresentations by for-profit colleges in recent years,[94] the Committee believes enhanced federal oversight in this area is long overdue.

Currently, the federal government does not require institutions to report expenditures on marketing, recruitment, advertising, or lobbying and title IV funding can be used unrestricted for these activities. In fact, the Integrated Postsecondary Education Data System (IPEDS), the core postsecondary education data collection program at the Department, allows institutions to report these expenses under the category of "student services." For this reason, data on advertising are difficult to obtain, but a recent report on online advertising reveals substantial investments by some colleges on advertising—particularly for-profit colleges—while they simultaneously spend very little on instruction.[95]

To address this concern and limit the use of taxpayer funds for marketing activities by predatory institutions, H.R. 4674 makes two key changes. First, it requires all institutions to separately report expenditures on marketing, recruitment, advertising, and lobbying. Second, if an institution spends less than one-third of its revenue from tuition and fees on instruction, the institution shall be subject to a limitation on these expenditures. For these institutions, total expenditures on marketing, recruitment, advertising,

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[91] GAO, *supra* note 89.

[92] *For Profit Higher Education:, supra* note 15.

[93] *Cf.* Bob Brock, Educational Marketing Group, College Advertising at All-Time High, n.1 (2017) https://emgonline.com/2017/10/college-advertising-at-all-time-high/#fn1 ("Based on ad tracking data from Kantar Media and EMG estimates for online advertising. Data reflects estimated spends in traditional advertising based on placements tracked in 230 DMA's [direct market areas] across the U.S. in cable/TV, radio, print, and out-of-home platforms and in online paid ads on the top 7,000 public websites, as compiled by Kantar Media. Paid ads in Search, social media, Pandora, mobile apps, and display ads on networks outside the top 7,000 U.S. sites have been estimated by EMG. Ad investments are estimated should be considered approximate and directional only.").

[94] Press Release, FTC, DeVry University Agrees to $100 Million Settlement with FTC (Dec. 15, 2016), https://www.ftc.gov/news-events/press-releases/2016/12/devry-university-agrees-100-million-settlement-ftc.

[95] STEPHANIE HALL, THE CENTURY FOUND., HOW MUCH EDUCATION ARE STUDENTS GETTING FOR THEIR TUITION DOLLAR? (2019) https://tcf.org/content/report/much-education-students-getting-tuition-dollar/.

and lobbying may not exceed the amount of revenue the institution receives from sources other than federal financial aid (including the GI Bill and other federal funds). This metric provides enforceability, allowing no taxpayer money to be used on advertising and lobbying for institutions that do not make student learning a priority. Institutions in violation of the limitation for two consecutive years will lose access to title IV for at least two years.

The creation of the one-third instructional spending screen in H.R. 4674 is designed to assess the extent to which the revenue from tuition and fees collected by a college from students is actually invested in student learning. Examining how institutions spend their tuition revenue can provide reasonable insight into the priorities of the institution. The Committee views the percentage of tuition and fee revenue spent on instruction as a reasonable metric for assessing whether a school is invested in student learning and success. In deriving the metric, the Committee considered various alternative formulations of an instructional spending screen. Specifically, the Committee considered adding student services and other categories of spending that indirectly support student success to the numerator. This approach was ultimately rejected, in light of ambiguities in the current definitions of student services (e.g., advertising and marketing is included), as well as a lack of data to explore implications and thresholds under a new definition.

The Committee also considered adding estimated percentages of state and local revenues devoted to instruction, but estimating such a percentage was imprecise given current data and overly complicated.[96] Ultimately, given current data limitations and a desire for clarity, the Committee settled on the simplest instructional spending metric. The one-third threshold was chosen as a reasonable and attainable lower bound on expectations of spending on instruction. Analyses of historic IPEDS data suggests that over the last three years, roughly 1,460 institutions did not spend at least one-third of their revenue on instruction. Over 85 percent of these institutions are for-profit colleges. Notably, while these institutions would be subject to the marketing limitation, most public and nonprofit institutions have sufficient revenue from non-title IV sources to still allow reasonable expenditures on the limited activities. Prior to introduction, the Committee worked with Rep. Tom Malinowski (D–NJ) to introduce H.R. 4475, the *Higher Education Student Protection Act,* standalone legislation that include these provisions.

Short-term Program Accountability

Beyond institution-level accountability, H.R. 4674 further strengthens accountability for short-term programs receiving loans. Under current law, short-term programs lasting between 300 and 600 clock hours must meet only minimal requirements for initial eligibility—a 70 percent completion rate and 70 percent job placement rate—and this is verified only once at the time of the initial eligibility determination. Moreover, job placement rates can be easily manipulated by institutions, as the law offers no consistent defi-

[96] JOHN J. CHESLOCK, EXAMINING INSTRUCTIONAL SPENDING FOR ACCOUNTABILITY AND CONSUMER INFORMATION PURPOSES, n. 1, (2019) https://tcf.org/content/report/examining-instructional-spending-accountability-consumer-information-purposes/#easy-footnote-bottom-1.

nition and there is currently no way to verify such rates.[97] In fact, job placement rates reported by for-profit colleges have been found to have been inaccurate or misleading on multiple occasions. For example, a Department investigation in 2015 found that Corinthian Colleges misled tens of thousands of students by systematically misrepresenting programs' job placement rates[98] and the for-profit Career Education Corporation recently settled with state attorneys generals in 48 states and the District of Columbia over allegations of inaccurate job placement data.[99]

To strengthen the current requirements, H.R. 4674 adds a new benchmark earnings metric for these short-term career programs in addition to current law requirements. It requires that program completers have earnings higher than students with only a high school diploma. The Committee believes that any postsecondary vocational programs should be able to show labor market value beyond what an individual would earn without any postsecondary education. To adjust for geographic variation in earnings, the bill allows programs to use local and state-level average high school earnings as benchmarks rather than U.S. averages. To ensure the ongoing success of graduates, the new earnings metric and completion rate requirement will be applied annually. H.R. 4674 further requires these short-term career programs to meet gainful employment requirements.

Accreditation

For too long, accreditors, the private entities that evaluate institutional quality and fitness for title IV aid, have focused on institutional inputs and largely ignored student outputs. This has resulted in several institutions limping along with lackluster outcomes or abruptly closing while still being accredited at the time of closure (e.g. Corinthian College, ITT Tech, and Argosy University). In 2014, the GAO found that accreditors terminated the accreditation of less than one percent of member schools and that accreditors were no more likely to sanction schools with weaker student outcomes than those with stronger outcomes.[100] GAO also found that the Department did not systematically use information on accreditor sanctions to oversee schools and accrediting agencies.[101] In 2018, the Center for American Progress found that while most accreditors do collect valuable outcome information, these data are rarely used to hold institutions accountable for poor performance.[102]

H.R. 4674 requires accreditors to focus on two important student achievement outcomes—completion and workforce participation—

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[97] THE INSTITUTE FOR COLLEGE ACCESS AND SUCCESS, OF METRICS AND MARKETS: MEASURING POST-COLLEGE EMPLOYMENT SUCCESS 4 2018, https://ticas.org/wp-content/uploads/legacy-files/pub_files/of_metrics_markets.pdf.

[98] Press Release, Department of Education and Attorney General Kamala Harris Announce Findings from Investigation of Wyotech and Everest Programs (Nov. 17, 2015), https://www.ed.gov/news/press-releases/department-education-and-attorney-general-kamala-harris-announce-findings-investigation-wyotech-and-everest-programs.

[99] Paul Fain, *Career Education Corp. Settles with States, Forgives Student Debt,* INSIDE HIGHER ED. (Jan. 4, 2019) https://www.insidehighered.com/quicktakes/2019/01/04/career-education-corp-settles-states-forgives-student-debt.

[100] U.S. GOV'T ACCOUNTABILITY OFF., GAO–15–59, *HIGHER EDUCATION: Education Should Strengthen Oversight of Schools and Accreditors*22–30 (2014).

[101] *Id.* at 30–40.

[102] *E.g.,* ANTOINETTE FLORES, CTR. FOR AM. PROG., HOW COLLEGE ACCREDITORS MISS THE MARK ON STUDENT OUTCOMES 2, (2018) https://cdn.americanprogress.org/content/uploads/2018/04/07135202/StudentOutcomeStandards-report2.pdf.

and makes the accreditation process more transparent. The Act encourages accreditors to use common terminology established by a working group of accreditors and other stakeholders to measure success with student achievement outcomes. Accreditors must set benchmarks for each measure used, and the Secretary has the authority to reject the accreditor-set performance benchmarks she deems to be too low. The Committee intends these outcome metrics to support institutions in improving student outcomes. Additionally, the Act requires the National Advisory Committee on Institutional Quality and Integrity (NACIQI) to regularly evaluate the effectiveness of the measures and the performance benchmarks set by each accreditor. H.R. 4674 also requires disclosures that make the accreditation process and institutions' accreditation status more transparent, so that students and parents can make informed decisions about where to enroll. The Act draws from and builds on H.R. 4579, the *Quality Higher Education Act*, introduced by Rep. Wilson.

H.R. 4674 also strengthens requirements for who can serve on an accreditation agency's governing board to reduce conflicts of interests. These provisions are from H.R. 4653, the *Protecting Undergraduates with Board Limitations from Influence and Conflicts Act*, introduced by Rep. Susie Lee (D–NV). The Act also establishes triggers that would require teach-out plans and agreements. These provisions are from the bipartisan bill H.R. 4615, the Stop College Closures Act, introduced by Reps. Donna Shalala (D–FL), Peter King (R–NY), Casten, Fitzpatrick, Moulton, and Alexandria Ocasio-Cortez (D–NY).

State Authorization

States have long had the authority to regulate any entity doing business within a state's boundaries. Since its inception, the HEA has required institutions to obtain state approval to be eligible to participate in title IV. However, there were no regulations that clarified this statutory requirement, which meant that some states had virtually no requirements for institutions serving residents in their state. For example, in some states, a business license was all that was required for an IHE to receive state authorization. Fraudulent institutions raced to the bottom to operate in states that provided very little oversight, moving operations if regulations tightened in that state.

H.R. 4674 heightens state authorizers' role in ensuring accountability. It assigns some oversight duties from the accreditors to the states, including ensuring the quality of facilities and meeting occupational licensing standards when applicable. H.R. 4674 also improves information sharing among the triad of the federal government, accreditors, and state authorizers, tasking states with ensuring that student complaints are funneled to appropriate stakeholder to ensure such complaints are appropriately addressed.

The abrupt closures of several large institutions mentioned earlier in the report have revealed substantial gaps in consumer protections. Importantly, the bill requires states to have processes in place to address such school closures. State processes must include the establishment of a tuition recovery fund or equivalent alternative, maintenance of student contact information, and maintained student access to transcripts. And in recognition of the fact that states have the right to enact, regulate, and enforce consumer

protection laws that protect their residents, H.R. 4674 does not amend current law to remove or upset that state authority. H.R. 4674 maintains state authority to protect consumers. The Committee worked with Rep. Mike Levin (D–CA) to introduce H.R. 5148, the *Higher Education Standards Improvement Act*, as standalone legislation that include these provisions.

Improving Postsecondary Data

The existing federal postsecondary data infrastructure is messy, duplicative, inefficient, and incomplete.[103] H.R. 4674 strikes the "student unit record" ban—a provision that prohibits the Secretary from collecting student-level data—and requires the development of a secure postsecondary student data system that uses student-level data to evaluate postsecondary outcomes including transfer, employment, and earnings. These provisions are from the bipartisan bill H.R. 1766, the College Transparency Act, introduced by Reps. Mitchell and Krishnamoorthi, which has attracted over 200 cosponsors in the House. Collecting data at a student level reduces institutional reporting burden while producing better, more complete information to help students, institutions, and policymakers make informed decisions. In order to lessen administrative burden and avoid duplicative reporting, H.R. 4674 allows the Secretary to utilize the new postsecondary student data system to fulfil other reporting requirements under the HEA. H.R. 4674 protects student privacy by, among other things, placing strict limits on the disclosure of data, prohibiting data from being sold or used for law enforcement purposes, safeguarding personally identifiable information, and establishing penalties for the misuse of student data. The Act also requires disaggregation of postsecondary data by race as measured by the American Community Survey (ACS) to fully capture the diverse experiences of students from different racial and ethnic groups, including subgroups within the Asian American and Pacific Islander community.

The new postsecondary student data system will give students, families, and policymakers access to more extensive and accurate data on institutional outcomes than those currently provided through the Integrated Postsecondary Educational Data System (IPEDS). This is especially important for accurately capturing the quality of institutions that serve large shares of students who transfer between institutions, enroll part-time, or follow non-traditional postsecondary pathways. For example, it is well-established that, on average, community college students take longer to complete degree programs than students in other sectors, and they often do so after transferring to a four-year institution.[104] However, existing graduation rate measures often count students who transfer before attaining a credential as non-completers. The Committee expects the Department to use the new postsecondary student data system to accurately capture the success of students who take dif-

[103] *See e.g.,* WESLEY WHISTLE, THIRD WAY, HOW HIGHER EDUCATION DATA REPORTING IS BOTH BURDENSOME AND INADEQUATE (2017), http://www.thirdway.org/report/how-higher-education-data-reporting-is-both-burdensome-and-inadequate; AMY O'HARA, POSTSECONDARY DATA INFRASTRUCTURE: WHAT IS POSSIBLE TODAY (2019), http://www.ihep.org/sites/default/files/uploads/docs/pubs/ihep_privacy_brief_data_sharing_v2.pdf.

[104] DOUG SHAPIRO, ET AL., NAT'L STUD. CLEARINGHOUSE, TIME TO DEGREE: A NATIONAL VIEW OF THE TIME ENROLLED AND ELAPSED FOR ASSOCIATE AND BACHELOR'S DEGREE EARNERS 24, 2016, https://nscresearchcenter.org/signaturereport11/.

ferent paths to meet their educational goals. In developing the public-facing consumer tool required by H.R. 4674, the Committee further urges the Department to explore the use of extended completion measures, including a completion rate reflecting the share of students who graduate or transfer within 300 percent of normal time. Completion measures should also accurately reflect the success of students in longer than standard (e.g. five-year undergraduate) programs and ensure that institutions are given clear credit for contributing to the success of transfer students.

In addition to making groundbreaking improvements in the federal postsecondary data infrastructure, H.R. 4674 ensures that institutions that offer dual enrollment programs aren't penalized when calculating the share of students who receive Pell Grants and extends a provision from the FY2019 spending bill which allows institutions to share information from a student's FAFSA with scholarship-granting organizations if the student provides explicit written permission.

Strengthening Educator Preparation

Since its inception HEA has included provisions to help prepare the next generation of classroom educators. In the last authorization, Congress created the Teacher Quality Partnership grant program (TQP), designed to support reforming the preparation of profession-ready educators at undergraduate and graduate institutions. Based on lessons learned from the last decade of implementation of the TQP, H.R. 4674 addresses the nation's critical teacher shortage by strengthening and scaling up TQP through a robust reauthorization, recognizing more clearly the role of the state in tackling their respective shortages, increasing the requirements and capacity for effective oversight and intervention for at-risk and low-performing educator preparation programs to ensure program improvement, and authorizing funding for competitive grant programs that will diversify the workforce and close shortage gaps in the highest-needs subject areas.

Teacher demand is on the rise due to changes in student enrollment and high levels of teacher attrition.[105] Reducing attrition by half could virtually eliminate teacher shortages, so the Committee believes federal policy must address why teachers leave the profession. Less than one-third of teachers who leave each year leave due to retirement. Rather, nearly half of beginning teachers are leaving the profession before their fifth year.[106] Teachers with little preparation, such as those with alternative certification, leave at rates that are two to three times higher than the rate at which teachers with comprehensive preparation leave the profession in the first

[105] LIEB SUTCHER, ET AL. LEARNING POL'Y INST., A COMING CRISIS IN TEACHING? TEACHER SUPPLY, DEMAND, AND SHORTAGES IN THE U.S. 37 (2016), https://learningpolicyinstitute.org/sites/default/files/product-files/A_Coming_Crisis_in_Teaching_REPORT.pdf.

[106] National Education Association, Research Spotlight on Recruiting & Retaining Highly Qualified Teachers (last accessed: Dec. 22, 2020, 7:56 p.m.) http://ftp.arizonaea.org/tools/17054.htm.

year.[107] Alternatively-certified teachers also self-report feeling less prepared than those traditionally prepared at an institution.[108]

Teacher preparation research has arrived at a consensus that a residency model, in which teacher candidates receive extended clinical in-classroom experiences under the guidance of an experienced teacher mentor, both effectively prepares teachers to lead students to greater academic gains and stymies profession attrition.[109] This was confirmed at the Committee's hearing, "Educating our Educators: How Federal Policy Can Better Support Teachers and School Leaders". The witness panel consisted of current practitioners, researchers, and policymakers in the field. H.R. 4674 places greater emphasis on the residency model as an allowable use for title II, part A funds. It also makes key updates in pedagogical and classroom management requirements as skills all teachers need to be successful, such as learning to use universal design for learning, embedding comprehensive literacy skills into pedagogy, and being in tune with the social, emotional, and cultural needs of all students via positive behavioral management, including students with disabilities and English language learners.

H.R. 4674 also recognizes the critical role of teacher leaders, experienced and exemplary teachers who take on greater responsibility within their schools through mentorship or formalized leadership roles, play in improving student achievement. The bill creates additional uses for funds in HEA title II, part A to include partnerships for teacher leader development, recognizing a middlerole for experienced teachers to have opportunities for growth and leadership that does not require becoming a school principal but may include earning a teaching leadership credential. While teacher leaders learn to hone their craft in a new role, they may earn an additional stipend for their work. The Committee worked with Reps. Brad Schneider (D–IL), Trone and Underwood on H.R. 3108, the *Teachers are Leaders Act* from which this provision was taken.

H.R. 4674 also addresses what research suggests is the most consistent factor associated with teachers' decision to stay or leave a school: a lack of support from school administration.[110] Teachers who feel unsupported are twice as likely to leave the profession, resulting in revolving doors at far too many schools, missed opportunities for exiting teachers, and time and money wasted on their training. Increasingly, research demonstrates the positive outcomes effective school leaders can have on teaching and learning, particularly for students in high-poverty areas and students of color.[111] Effective school leadership is only second to effective classroom in-

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[107] Christopher Redding & Thomas M. Smith, *Easy in, Easy Out: Are Alternatively Certified Teachers Turning Over at Increased Rates?*, 53 AM. EDUC. RSCH. J., (2016) 1086, 1090–1091 (2016), https://journals.sagepub.com/doi/pdf/10.3102/0002831216653206; Learning Pol'y Inst., *What's the Cost of Teacher Turnover?*, https://learningpolicyinstitute.org/product/the-cost-of-teacher-turnover.

[108] Ayana N. Kee, *Feelings of Preparedness Among Alternatively Certified Teachers: What is the Role of Program Features*, 63 J. of Teacher Educ. 23, 24, (2012), https://journals.sagepub.com/doi/pdf/10.1177/0022487111421933.

[109] LINDA DARLING HAMMOND, LEARNING POL'Y INST., THE TEACHER RESIDENCY: AN INNOVATIVE MODEL FOR PREPARING TEACHERS ii (2016), https://learningpolicyinstitute.org/product/teacher-residency.

[110] *See* LEARNING POLICY INSTITUTE, THE ROLE OF PRINCIPALS IN ADDRESSING TEACHER SHORTAGES (2017), https://learningpolicyinstitute.org/sites/default/files/product-files/Role_Principals_Addressing_Teacher_Shortage_BRIEF.pdf

[111] STEPHANIE LEVIN & KATHRYN BRADLEY, UNDERSTANDING AND ADDRESSING PRINCIPAL TURNOVER: A REVIEW OF THE RESEARCH (2019), https://learningpolicyinstitute.org/sites/default/files/product-files/NASSP_LPI_Principal_Turnover_Research_Review_REPORT.pdf.

struction in boosting student academic achievement.[112] Yet school leader preparation receives little attention in comparison to teacher preparation.

The HEA first addressed school leadership preparation in the 2008 reauthorization. Congress authorized a Leadership Development program in which grantees could use title II–A funds on a pre-service leader preparation program in rural schools and only as a supplemental use of funds already being used on a Teacher Residency or pre-baccalaureate program. Since the 2008 reauthorization, significant research has been conducted in the recruitment and preparation of school leaders. The Wallace Foundation invested in six large urban districts to establish strong principal pipeline initiatives that recruit from within district, prepare, and support effective school leaders. An independent evaluation of the Wallace Foundation programming by the RAND Corporation found that building such pipelines of emerging leaders is both a feasible and affordable way for large urban districts to improve schools.[113] RAND found that principals in districts that had developed these pipelines were less likely to leave their schools when compared to districts that had no pipeline initiative.[114] RAND suggested these results were because the school leaders were prepared in cohort-style programs pre-service and supported with targeted mentorship in their first years of principalship.[115] Students in schools with a principal prepared in a pipeline initiative outperformed students from schools in the control group in reading by 6.22 percentile points and in math by 2.87 percentile points.[116] The Committee also heard direct testimony about the value of prepared principals on school turnaround during the "Educating Our Educators" hearing from Tricia McManus, Assistant Superintendent of Leadership, Professional Development, and School Transformation of Hillsborough County Public Schools in Florida.

Reflecting the principal induction research, H.R. 4674 expands TQP to include Principal and School Leader residency programs, including the creation of pipelines within a school district, as an allowable use of HEA title II–A funds by themselves. TQP grants are renamed Teacher and School Leader Quality Partnership grants (TSLQP). Building on a successful model, principal or school leader residency design requirements mirror the Teacher Residency program requirements, including combining graduate level coursework in cohorts as well as ongoing supports while on the job such as mentorship.

H.R. 4674 also allows TSLQP grantees to develop another form of a pipeline known as Grow Your Own. Grow Your Own was born in response to the research that demonstrates teachers prefer to teach in the communities they grew up in.[117] This allows high-need school districts to recruit and support paraprofessionals and other

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[112] KENNETH LEITHWOOD ET AL., WALLACE FOUND., HOW LEADERSHIP INFLUENCES STUDENT LEARNING 5, (2004), https://www.wallacefoundation.org/knowledge-center/documents/how-leadership-influences-student-learning.pdf.

[113] Susan M. Gates et al., PRINCIPLE PIPELINES: A FEASIBLE, AFFORDABLE, AND EFFECTIVE WAY FOR DISTRICTS TO IMPROVE SCHOOLS xiii (2019), https://www.rand.org/pubs/research_reports/RR2666.html.

[114] *Id.* at 51–53.

[115] *Id.* at 28.

[116] *Id.* at 64.

[117] ANNE PODOLSKY ET AL., LEARNING POL'Y INST., SOLVING THE TEACHER SHORTAGE: HOW TO ATTRACT AND RETAIN EXCELLENT TEACHERS 25 , https://learningpolicyinstitute.org/sites/default/files/product-files/Solving_Teacher_Shortage_Attract_Retain_Educators_REPORT.pdf.

non-teaching staff who already work in the school district in gaining their teacher certifications to teach in their own communities. Partnerships provide tuition support and may provide other financial assistance as candidates work through the program. Grow Your Own programs can close a gap in high-need shortage areas that are otherwise hard to staff because they recruit from a committed-to-the-community pool.

To ensure TSLQP funds are most effectively used, H.R. 4674 strengthens program accountability reporting metrics and requires both traditional institutions and alternative certification programs offering preparation programs to report annually to the State and the public key information on programmatic quality and student success. This will also provide relevant data to the federal government on the effectiveness of federal funds and what changes TSLQP may require to close shortage gaps in the future. The bill further requires states to conduct an assessment to identify at-risk and low-performing teacher and school leader preparation programs and to provide those programs with technical assistance in hopes of improvement.

States are in the best position to meet the shortage gaps within their borders, a point highlighted by Mr. John White, the Superintendent of Louisiana, at the Committee's "Educating our Educators hearing". H.R. 4674 allows state educational agencies to be key partners in partnerships with preparation programs in their states. State partners who enter into a partnership with an eligible preparation program must work in conjunction with one or more high-need school districts in the state to meet the shortage needs in those districts. H.R. 4674's state accountability reporting incentivizes states to build the systems to determine where their state's most critical shortages are. Thus, states may place successful graduates in the highest-needs school districts. To meet the needs of the expansion of TQSLP, H.R. 4674 authorizes a stronger investment in title II, part A by increasing funding from $300 million to $500 million.

Finally, H.R. 4674 maintains most of the HEA title II, part B programs authorized in current law. Because the establishment of these programs are resoundingly supported by preparation programs around the country, but never funded, the bill authorizes part B to be funded at $100 million and requires that each of the four programs it authorizes receive at least 20 percent of those funds.

Part B maintains the recognition of the critical role that HBCUs and other MSIs play in producing most of the country's teachers of color by reauthorizing the Augustus F. Hawkins Centers of Excellence program which supports the teacher prep programs at these schools and strengthening their residency preparation in line with part A. Additionally, part B acknowledges the critical and persistent shortage in special education teachers with the inclusion of the Well Rounded Teachers program. Funds under this program support preparation programs that embed special education into the general education credential, as dual certification. It requires that these programs produce teachers well-versed in positive behavioral management strategies to effectively respond to the needs of all students. Both programs were incorporated from H.R. 4288

the *Teacher Diversity and Retention Act*, introduced by Rep. Ruben Gallego(D–AZ).

The Committee is also concerned with the increasing demand for bilingual teachers as the country experiences an influx of English language learner students. H.R. 4574 incorporates provisions from H.R. 1153, the *Reaching English Learners Act* introduced by Rep. Langevin, to develop the Teaching English Learners grant. This grant improves English language instruction preparation.

In line with fostering the pedagogical needs of specific subject areas, Part B also maintains the graduate fellowships program that prepare faculty in high-need areas. These areas include special education, English language instruction, science, math, and career and technical education subjects such as engineering and computer science. Under the bill, the Secretary must also prioritize awarding grants to any part B program that fills these subject area shortages and programs that produce high numbers of educators of color.

H.R. 4674 Advances Equity in Higher Education

The original HEA and subsequent reauthorizations were designed to increase access to higher education for all students. While efforts have resulted in more low-income students and students of color accessing and completing higher education since 1965, significant gaps remain.

As of 2015, 82 percent of high school graduates from families in the highest income quintile (families making more $100,010 annually) enrolled immediately in college, compared to just 58 percent of those from the lowest income quintile (below $20,582).[118] While the shares of Black and Hispanic students enrolling in college have increased substantially over the last decades (rising by 52 percent and 23 percent, respectively from 1975),[119] significant racial gaps in enrollment remain. Among recent high school graduates in 2017, enrollment rates of Black students lagged 10 percentage points behind the rates of white students, while Hispanic enrollment rates lagged by 8 percentage points.[120]

Students of color and low-income students also lag behind their peers when it comes to degree completion. White students who start at a four-year university graduate within six years at more than one-and-a-half times the rate of Black students (66 vs. 42 percent).[121] Black males lag even further behind with a 36 percent six-year graduation rate.[122] The gap between white and Hispanic students is smaller but still large (64 vs. 54 percent).[123] Gaps in graduation rates are also large across family income: students who receive Pell Grants are 18 percentage points less likely to graduate than students who do not receive Pell.[124]

Disparities in graduation rates mean that students of color and low-income students miss out on the social mobility and the other numerous advantages of a college education. Children whose par-

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[118] JENNIFER MA, ET AL., EDUCATION PAYS 2016, 10 (2016), https://trends.collegeboard.org/sites/default/files/education-pays-2016-full-report.pdf.
[119] *Id*. at 11.
[120] National Center for Education Statistics, *Digest* Table 302.20 (2018).
[121] National Center for Education Statistics, *Digest* Table 326.10 (2019)
[122] *Id*.
[123] National Center for Education Statistics, *Digest*, Table 326.20.
[124] WESLEY WHISTLE & TAMARA HILER, THIRD WAY, THE PELL DIVIDE: HOW FOUR YEAR INSTITUTIONS ARE FAILING TO GRADUATE LOW- AND MODERATE-INCOME STUDENTS 3, (2018).

ents are in the bottom quintile of the income distribution can greatly increase their chances of moving up the income ladder as adults if they obtain a degree. Children in the bottom income quintile who do not obtain a college degree only have a one in two (53 percent) chance of moving up the income ladder as adults, whereas various studies suggest between 84 and 90 percent of children who are born into the bottom quintile and earn a college degree will move out of the bottom quintile.[125] The benefits of a college degree are so large for low-income students that research has shown that the greatest gains in absolute wealth in the past generation have gone to individuals growing up in the lowest income quintile who earned a bachelor's degree.[126]

H.R. 4674 makes key investments to help close these gaps and ensure that students from all backgrounds have the support they need to graduate from college and successfully transition to the workforce. The affordability measures in H.R. 4674 provide low-income students greater financial support by cutting the cost of tuition and covering other basic expenses that can interfere with their education. The new federal-state partnership program to provide tuition-free community college and a path to a tuition-free four-year degree, freeing up students' federal financial aid dollars to cover non-tuition expenses. Increases in the value of Pell Grant will cover a larger share of tuition and put more money in students' pockets to pay for food, housing, and other basic essentials, while dual enrollment programs offer flexible college options that offer accelerated paths to a college degree.

Supports for Students

In addition to improving affordability, H.R. 4674 further enhances equity and advances student success with numerous programs and provisions designed to support underserved students. H.R. 4674 makes important improvements to TRIO and GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs), longstanding federal programs designed to identify individuals from disadvantaged backgrounds and help them enroll in college. Among other things, the bill amends authorizing language for both programs to increase funding levels, clarify program requirements, expand and update authorized uses, and ensure homeless and foster youth can participate in and benefit from services and activities.

The Committee recognizes that collecting comprehensive data on homeless and foster youth participating in TRIO and GEAR UP programs may be challenging for grantees, particularly in the short term, and H.R. 4674 includes language specifying that data is only required to be reported "when available". This data is intended to shine a light on the experiences and outcomes of homeless and foster youth. It should not be used preference or penalize applicants based on the demographic makeup of their student populations. Furthermore, the Committee does not intend the newly required disaggregation of TRIO outcome data by homeless/foster status to

[125] PEW CHARITABLE TRUSTS, PURSUING THE AMERICAN DREAM: ECONOMIC MOBILITY ACROSS GENERATIONS 3 (2012); RICHARD REEVES, SAVING HORATIO ALGER: EQUALITY OPPORTUNITY, AND THE AMERICAN DREAM (2014) http://csweb.brookings.edu/content/research/essays/2014/saving-horatio-alger.html

[126] *Id.* at 23.

alter the Department's current practices with respect to the calculation of prior experience points (renamed "accountability for outcomes points" under H.R. 4674).

H.R. 4674 additionally includes language designed to address TRIO and GEAR UP grant administration issues that have emerged since the last HEA. Of particular note, the bill shortens the timeframe in which TRIO applicants must be notified of the status of their grant application from 8 months to 90 days. The Department has been unable to meet the current-law 8 month notification requirement due to the timing of the Congressional appropriation and grant competition cycles, rendering the advance notice provision unachievable and therefore meaningless. The Committee's intent in shortening the notification window is to ensure that applicants are informed of whether or not they will receive funding at least 90 days prior to the startup date of the proposed program. This is necessary for ensuring that continuing grantees do not suffer from an interruption or lapse in funding and for providing all successful grantees with sufficient time to plan and prepare to offer TRIO services. Importantly, the notification requirement applies regardless of whether a TRIO grantee receives funding through the first slate of awards or after the statutorily required second review of applications has been completed.

Far too many college students are struggling with food insecurity. Estimates of food insecurity among college students range from 9 percent to well over 50 percent, and the majority of studies examined by the GAO found food insecurity rates of over 30 percent.[127] The GAO additionally found that at least 3.3 million students who were at risk of food insecurity and potentially eligible for Supplemental Nutrition Assistance Program (SNAP), yet fewer than half of these students reported that they had accessed SNAP benefits.[128] To address this issue, H.R. 4674 ensures that institutions connect potentially eligible students with federal safety net programs, including food assistance programs like SNAP and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). By increasing grant aid and investing in a federal-state partnership, H.R. 4674 provides students with the funds they need to not only cover their tuition, but also pay for the basic necessities of food and housing. States participating in this new federal-state partnership are further required to consider changes to state law to facilitate participation in means-tested federal benefit programs among college students. As mentioned above, H.R. 4674 additionally allows FSEOG funds to be used to provide emergency grant aid to students, which can be essential for addressing issues of food and housing insecurity. The Act also incorporates H.R. 2632, the bipartisan *CCAMPIS Reauthorization Act*, introduced by Reps. Katherine Clark (D–MA) and Don Young (R–AK), which expands access to affordable, quality on-campus child care for students with children, and H.R. 3950, the *Remedial Education Improvement Act*, introduced by Rep. Donald Norcross (D–NJ), which supports the adoption of evidence-based reforms of remedial education programs. These changes will help keep students—particu-

[127] U.S. Gov't Accountability Off., GAO–19–95, FOOD INSECURITY: Better Information Could Help Eligible College Students Access Federal Food Assistance Benefits 11, https://www.gao.gov/assets/700/696254.pdf.
[128] *Id.* at 18.

larly low-income students and students of color—on campus and on-track to earning a college degree.

While there are multiple pathways to and through higher education, the Committee recognizes that, for most students, a bachelor's degree remains the surest pathway to financial stability and lifelong success. Unfortunately, the low-income students who stand to benefit most from earning a bachelor's degree are significantly less likely than their peers to pursue or complete a four-year degree.[129] In response to this reality, H.R. 4674 creates a new program to reward institutions that are dedicated to enrolling low-income students and ensuring that they succeed. Under the Federal Pell Bonus Program created by the Act, public and private not-for-profit institutions with a Pell enrollment of at least 25 percent will receive a bonus for every Pell recipient that earns a bachelor's degree within the normal time to completion. Bonus funds can be used by these institutions to expand access and success among low-income students, including through the provision of need-based financial aid and student supports.

Additionally, H.R. 4674 allows undocumented individuals who entered the U.S. when they were younger than 16 years of age and either earned a high school diploma (or its equivalent) or served in the uniformed services for not less than four years to access federal student aid and services under title IV. This would allow Deferred Action for Childhood Arrivals (DACA) recipients access to federal student aid. The Supreme Court has recognized that undocumented students are entitled to a public K–12 education and under current law these students experience an abrupt shift when they graduate high school. Of the estimated 98,000 undocumented students who graduate high school every year, only between 5 and 10 percent pursue higher education and far fewer graduate with a degree.[130] Enrolling in college becomes difficult without the appropriate financial means to pay for the education. Given their ability to work and contribute to the economy, this provision would allow these students to contribute at higher rates to American society upon earning a college degree or credential. Under H.R. 4674, individuals who would have qualified for Deferred Action for Parents of Americans and Lawful Permanent Residents (DAPA) and individuals with temporary protected status are also eligible for federal student aid.

Despite some progress in recent reauthorizations, HEA still needs significant improvements to truly align with the goals of the Americans with Disabilities Act and the Individuals with Disabilities Education Act. H.R. 4674 includes grants to train faculty to deliver accessible, inclusive instruction; establishes an office of accessibility in every institution to facilitate access; and increases access to instructional materials and technologies to make learning accessible for all students. Further, H.R. 4674 requires the office of accessibility at each institution to accept documentation such as an

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[129] Joel McFarland, *Differences in Postsecondary Enrollment and Employment by Socioeconomic Status*, NCES BLOG, (July 10, 2019) https://nces.ed.gov/blogs/nces/post/differences-in-postsecondary-enrollment-and-employment-by-socioeconomic-status.

[130] Jie Zong & Jeanne Batalova, How Many Unauthorized Immigrants Graduate from U.S. High Schools Annually? Migration Policy Institute, 2019; *but see* U.S. DEP'T OF EDUC., RESOURCE GUIDE: SUPPORTING UNDOCUMENTED YOUTH 3 (2015) (determining the higher education rate but placing the number of yearly undocumented students who graduate high school at 65,000).

Individualized Education Plan (IEP) or a 504 Plan deemed by itself sufficient to prove the existence of a disability in order to ensure that students with disabilities receive the accommodations they need. The office may also accept and deem sufficient other types of documentation, including a student's narrative about their disability or the results of an evaluation provided by the institution, but cannot require additional types of documentation.

Homeless and foster youth face unique challenges in accessing higher education. H.R. 4674 addresses these challenges in several ways. The bill authorizes a new program at $150 million per year to help states expand initiatives to help foster and homeless youth transition to college. The bill further requires states to provide in-state tuition rates for foster and homeless youth who have not had stable residency and would otherwise be ineligible and requires institutions to provide housing options between terms.

HEA specifies that students who do not hold a high school diploma or recognized equivalent can only qualify for federal financial aid under the so-called "ability to benefit" provisions if they are enrolled in an eligible career pathway program. Such programs provide important supports and ensure that students who enter college without a secondary credential are able to succeed academically and transition to the workforce. However, the Committee recognizes that broad-based liberal arts programs may not be compatible with all the requirements associated with career pathway programs. As such, H.R. 4674 allows individuals who demonstrate an ability to benefit by earning six credit hours toward a postsecondary degree to be eligible for federal financial aid if they are enrolled in a program leading to a bachelor's degree; a two-year or longer program that is acceptable for full credit toward to a bachelor's degree; or a degree program that is acceptable to admission to a graduate or professional degree program. Students at public and private nonprofit institutions are eligible for title IV aid under this expansion.

Support for Institutions that Enhance Economic Mobility

A high-quality college degree remains out of reach for far too many students, and students of color and low-income students face particularly steep barriers to college enrollment and completion. Unfortunately, institutions that make it part of their mission to serve large populations of these students facing the greatest barriers—such as HBCUs, TCCUs, MSIs, and community colleges—are generally under-resourced, making it harder to serve students on the path to college completion.

HBCUs, TCCUs, MSIs, and community colleges are all too often subject to severe resource constraints, which limit these institutions' ability to support all students through degree completion. A 2014 report from the Institute for Higher Education Policy found that, in Fiscal Year (FY) 2010, HBCUs, TCCUs, and MSIs operated on an average of $16,648 in per-student revenue, compared to nearly $30,000 at predominantly white institutions. Community colleges had even fewer resources and operated on approximately $10,000 in per-student revenue.[131]

[131] ALISA CUNNINGHAM ET AL., THE INST. FOR HIGHER EDUC. POL'Y, MINORITY SERVING INSTITUTIONS: DOING MORE WITH LESS 13, (2014), http://www.ihep.org/sites/default/files/uploads/docs/pubs/msis_doing_more_w-less_final_february_2014-v2.pdf.

Revenue constraints mean that institutions have less to spend on the students. Research from The Century Foundation found that in FY 2013, "private four-year research institutions spent five times as much per full time equivalent student annually ($72,000) as did community colleges ($14,000)." [132] The Georgetown Center on Education and the Workforce found that, in 2015, "selective public colleges spent nearly three times as much per student as open-access public colleges on instructional and academic support." [133]

Aross America, the students who attend the least well-resourced K–12 schools, and those who arrive at college facing the steepest barriers to completion, are concentrated at institutions with the lowest funding levels. This pattern perpetuates and reinforces inequity as students of color and low-income students are systematically deprived of the public resources available to their white and affluent peers. On a macro scale, the lack of access to affordable, high-quality postsecondary opportunities hampers economic mobility and contributes to wage inequality and the cycle of poverty.

These gaps in institutional revenue and spending are not only problematic from a theoretical standpoint. In reality, inequitable funding impacts the success of students. Institutions that have more resources are able to provide high-quality educational opportunities to more students, including those in need of additional support. The evidence shows that additional spending on instruction and student support services can substantially improve graduation rates.[134]

College degrees are essential for upward mobility, particularly for low-income students. College degree holders from families in the lowest income quintile are more likely to experience upward mobility (i.e. more likely to surpass their parents in terms of income and wealth) than degree holders from higher income families.[135] But income in the top quintile is "sticky": those born in the top quintile have a significantly lower chance of falling to the bottom quintile regardless of whether or not they earn a degree.[136]

For these reasons, H.R. 4674 strengthens HBCUs, TCCUs, and other MSIs. The Act increases and permanently reauthorizes mandatory funding for HBCUs, TCUs, and other MSIs. It also makes needed reforms to discretionary grant programs and increases funding. Additionally, H.R. 4674 authorizes new grant programs to

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[132] THE CENTURY FOUND., RECOMMENDATIONS FOR PROVIDING COMMUNITY COLLEGES WITH THE RESOURCES THEY NEED 2 (2019) https://tcf.org/content/report/recommendations-providing-community-colleges-resources-need/.

[133] ANTHONY P. CARNEVALE ET AL., GEORGETOWN U. CTR. ON EDUC. THE WORKFORCE, OUR SEPARATE UNEQUAL PUBLIC COLLEGES 8 (2018), https://1gyhoq479ufd3yna29x7ubjn-wpengine.netdna-ssl.com/wp-content/uploads/SAUStates_FR.pdf

[134] *See e.g.*, Ann M. Gansemer-Top John H. Schuh, *Institutional Selectivity And Institutional Expenditures: Examining Organizational Factors that Contribute to Retention and Graduation*, 47 RSCH IN HIGHER EDUC. 613, 621–22 (2006), https://link.springer.com/article/10.1007/s11162-006-9009-4; Ann M. Gansemer-Topf et al., *Did the Recession Impact Student Success? Relationships of Finances, Staffing and Institutional Type on Retention*, 59 RSCH IN HIGHER EDUC. 174, 175–76 (2018), https://link.springer.com/article/10.1007/s11162-017-9462-2; Douglas A. Webber Ronald G. Ehrenberg, *Do Expenditures Other Than Instructional Expenditures Affect Graduation and Persistence Rates in American Higher Education* 11–12 (Nat'l Bureau of Econ. Rsch.. Working Paper No. 15216, 2009), https://www.nber.org/papers/w15216; AUSTAN GOOLSBEE ET AL., ASPEN INSTITUTE, A POLICY AGENDA TO DEVELOP HUMAN CAPITAL FOR THE MODERN ECONOMY, 16, 26 (2019), https://assets.aspeninstitute.org/content/uploads/2019/01/1.1-Pgs-16-39-A-Policy-Agenda-to-Develop-Human-Capital-for-the-Modern-Economy.pdf; and THE INSTITUTE FOR COLLEGE ACCESS AND SUCCESS, INEQUITABLE FUNDING, INEQUITABLE RESULTS, RACIAL DISPARITIES AT PUBLIC COLLEGES 3, (2019), https://ticas.org/sites/default/files/pub_files/inequitable_ funding_inequitable_results.pdf.

[135] Pew Charitable Trusts, *supra* note 125, at 3.

[136] *Id.*

support innovation at HBCUs, TCCUs, and MSIs; preserve and revitalize Native American languages; and increase opportunities for graduate and doctoral studies at these institutions. These provisions are drawn from the bipartisan bill H.R. 2486, the *Fostering Undergraduate Talent by Unlocking Resources for Education* (FUTURE) Act, introduced by Reps. Alma Adams (D–NC) and Mark Walker (R–NC) and the Native American Language Vitalization Act, H.R. 4188, introduced by Reps. Sablan (D–MP), Schrier (D–WA), and Ed Case (D–HI).[137]

H.R. 4674 also supports community colleges in developing programs that improve completion. There are multiple innovative models that institutions are implementing to better support students to completion. Worth highlighting is the City University of New York (CUNY) Accelerated Study in Associate Programs (ASAP) initiative, which helps students earn an associate's degree within three years by providing comprehensive services. These supports include advisement, financial assistance (including free metro cards and textbooks), structured pathways, and employment support. As students get close to graduating, they receive special support to help them transfer to a four-year institution or into the workforce. Over a three-year period, the program doubled graduation rates and the cost per degree was lower in ASAP than in the control group despite the initial cost.[138] The CUNY ASAP program was replicated at three community colleges in Ohio and similar student outcomes were achieved.[139] Due to this exceptional success, H.R. 4674 provides institutions with planning and implementation grants to replicate the CUNY ASAP program at community colleges across the country. Prior to introduction of H.R. 4674, Committee worked with Rep. Grace Meng (D–NY) to introduce H.R. 3578, the *Community College Student Success Act* which contains these provisions.

Campus Climate

The Committee recognizes that campus safety requirements in H.R. 4674, including those related to hazing and harassment, may require institutions to revise or expand their approaches to tracking and reporting crimes under the Clery Act. For example, newly required reporting on hazing must include details on findings from campus disciplinary proceedings and information specific to student organizations. Reporting this information will likely require separate documentation in the annual security reports that are submitted by institutions. The Committee expects the Department to provide guidance to institutions on how to comply with new requirements, including how to collect and present data on hazing and harassment incidents.

H.R. 4674 takes important steps to improve campus climate and protects students' safety. The bill blocks Secretary DeVos's Title IX rule and strengthens prevention and reporting of incidents of cam-

[137] Since H.R. 4674 has been reported from committee, the FUTURE Act has been passed into law, permanently authorizing mandatory funds for HBCUs, TCCUs, and other MSIs. P.L. 116–91.

[138] SUSAN SCRIVENER, ET AL., DOUBLING GRADUATION RATES: THREE YEAR EFFECTS OF CUNY'S ACCELERATED STUDY IN ASSOCIATE PROGRAMS (ASAP) FOR DEVELOPMENTAL EDUCATION, 111 (2015), https://www.mdrc.org/sites/default/files/doubling_graduation_rates_fr.pdf.

[139] MRDC, *Evaluating Replications of CUNY's Accelerated Study in Associate Programs (ASAP)*, last accessed: Dec. 22, 2020, https://www.mdrc.org/project/Evaluating-Replications-of-CUNY-ASAP#overview.

pus sexual assault, harassment, and hazing. It further supports campus diversity by strengthening civil rights enforcement to prevent discrimination on campus and invests in programs that advance access to education for students with disabilities, foster youth, students who struggle with homelessness, and student veterans. H.R. 4674 additionally provides expectant and parenting students information on campus leave policies, financial aid (including emergency aid), support services, and rights, protections, and accommodations guaranteed under federal and state law. The Act additionally amends the current-law anti-discrimination provision in the HEA to clarify that protections against discrimination based on sex apply to sexual orientation, gender identity, pregnancy, childbirth, a medical condition related to pregnancy and childbirth, and sex stereotype.[140]

H.R. 4674 Maintains and Improves Key Policies and Programs in Higher Education

Beyond the changes described in earlier sections, H.R. 4674 maintains or improves several policies and programs that are essential in ensuring affordability, accountability, and equity in higher education.

Institutional Disclosures of Foreign Gifts

In light of recent increased scrutiny on potential foreign influence on college campuses, H.R. 4674 strengthens current reporting on institutional disclosures of foreign gifts and contracts, clarifies what information is necessary, and improves Departmental engagement to ensure institutional reports are useful without being over burdensome. To address concerns about public awareness, the Committee included language in the bill requiring the Secretary of Education to make the disclosure reports publicly available in an electronically downloadable, searchable database that allows identification and comparison of institutional reports.

H.R. 4674 also requires the Secretary of Education to bring together community stakeholders through negotiated rulemaking to ensure the statute is being properly implemented, and to ensure institutions know what is required on gift disclosure reports.

Tuition assistance for students in the Commonwealth of the Northern Mariana Islands (CNMI) and American Samoa territories

All students, regardless of whether they reside on the continental U.S. or its territories, should have an opportunity to pursue an affordable four-year college degree. The CNMI and American Samoa territories have substantially limited academic offerings for students seeking higher education. Each territory has just a small public college, providing primarily certificates and associate degrees, which hinders many students in these territories from pursuing a college degree beyond two-years. The lack of options forces many students to move great distances away from home and at substantial personal cost to pursue a bachelor's degree. To enable affordable access to students in the territories, H.R. 4674 creates a Tuition Assistance Grant (TAG) Program—modeled after the pro-

[140] Videckis v. Pepperdine University 150 F.Supp.3d 1151, 1158–59 (C.D. Cal. 2015); Whitaker v. Kenosha Unified Sch. Dist., 858 F.3d 1034, 1048 (7th Cir. 2017).

gram in the District of Columbia (i.e. DC TAG)—and authorizes $5 million dollars to cover the difference between in-state and out-of-state tuition costs for students in the aforementioned territories. This program comes from H.R. 2465, the *Northern Mariana Islands and American Samoa College Access Act*, introduced by Rep. Sablan (D–MP).

Fund for the Improvement of Postsecondary Education (FIPSE)

FIPSE was first authorized in 2008 and authorizes the Secretary to make grants to higher education institutions or groups of institutions to improve postsecondary education opportunities. An example of a program funded through FIPSE is the Shepherd Higher Education Consortium on Poverty, which provides an integrated curricular and co-curricular interdisciplinary study focusing on poverty and human capability for undergraduate and graduate students. Students are provided with service-learning internship opportunities with non-profit agencies located in disadvantaged communities. H.R. 4674 reauthorizes FIPSE for FY 2021 and each of the five succeeding fiscal years.

Programs under title VIII

H.R. 4674 eliminates many programs that were authorized in the 2008 reauthorization of HEA, but never funded. It simultaneously reauthorizes and retools several grant programs under title VIII including the Ronald V. Dellums memorial STEAM Scholars, provisions that were introduced in H.R. 5922 the *Ronald V. Dellums Memorial Fellowship for Women of Color in STEAM and National Security Act*, introduced by Reps. Barbara Lee (D–CA) and Raúl Grijalva (D–AZ). The bill also reauthorizes the Teach for America program, Modeling and Simulation grants, and others. It further authorizes a new grant program to expand the development and use of high-quality open educational resources to reduce the cost of textbooks and expand access to free educational materials to the broader public.

SECTION-BY-SECTION ANALYSIS

Sec. 1—Short title; table of contents

This section provides the short title "College Affordability Act" and table of contents.

Sec. 2—References

This section states that, unless otherwise stated in the Act, provisions that are amended or repealed shall be considered made to the *Higher Education Act of 1965* (HEA).

Sec. 3—General effective date

This section states that, unless otherwise stated in this Act, the provisions will take effect on the date of enactment.

Part A—Definitions

Sec. 1001—Definition of institution of higher education for purposes of title IV programs

This section adds receivership to the limitations that would prohibit an institution of higher education (institution) from meeting the requirements to participate in title IV of the HEA. This section adds 85/15 to the institutional eligibility definition of a proprietary institution starting July 1, 2023.

Sec. 1002—Additional definitions

This section fixes a reference to the *Americans With Disabilities Act of 1990*.

This section amends the definition of "nonprofit" to make a nonprofit entity not only one that is owned and operated by a nonprofit corporation or association per current statute, but also one that is controlled by a nonprofit corporation or association.

This section defines the term "public institution of higher education" as an institution for which all its obligations are valid and binding obligations of the State (or an equivalent governmental entity) and for which the State (or an equivalent governmental entity) pledges full faith and credit to pay the obligations on time.

This section defines the term "foster care children and youth" as children and youth whose care and placement are the responsibility of the State or Tribal agency, regardless of whether the State or tribal agency has made foster care maintenance payments on their behalf. Individuals who are no longer the responsibility of the State or the Tribal agency but who were under the care of the State or Tribal agency at 13 years of age or older are included in the term.

This section defines the term "federal education assistance funds" as any federal funds provided under the HEA, as well as funds provided under any other federal law, including through funds directly made to an institution on behalf of an individual (i.e. GI Bill Benefits). This definition excludes monthly housing stipend payments made directly to an individual under the Post-9/11 GI Bill.

This section defines the term "progress period status" as the status of an institution that is determined by the Secretary of Education (Secretary) to be in danger of failing to meet title IV eligibility criteria because the institution has a student default risk indicator between 10 and 15 percent.

Sec. 1003—Gainful employment programs

This section establishes a definition for the term "program of training to prepare students for gainful employment in a recognized occupation," which requires training programs to comply with performance metrics and disclosures established by the Secretary. At a minimum, the Secretary must establish requirements for a debt-to-earnings rate including a methodology for calculating such rate, a process to authorize the use of alternate earnings, and a threshold. The threshold must be comparable to the eligibility thresholds for the debt-to-earnings ratio established in the 2014 gainful employment final rule. Training programs that are substan-

tially similar to a training program that did not previously meet the performance metrics are prohibited from participating.

The Secretary is required to develop a consumer-tested disclosure template that training programs must provide to enrolled and prospective students on an annual basis showing student outcome information for such program. The Secretary must also establish a process to annually verify that each training program is providing the required disclosures.

Part B—Additional General Provisions

Sec. 1011—Antidiscrimination

This section amends the antidiscrimination provision in section 111 of the HEA to specify that protections against discrimination on the basis of sex apply to sexual orientation, gender identity, pregnancy, childbirth, a medical condition related to pregnancy or childbirth, and sex stereotype.

Sec. 1012—National Advisory Committee on Institutional Quality and Integrity

This section permanently establishes the National Advisory Committee on Institutional Quality and Integrity (NACIQI) by repealing the expiration date.

Sec. 1013—Disclosures of foreign gifts

This section strengthens and clarifies the disclosure of foreign gifts made to institutions from a foreign entity. It does this by clarifying that the aggregate dollar amount reported to the Department of Education (Department) includes the funding of staff members, textbooks and other in-kind gifts. It also clarifies that tuition and fees are exempted from the reporting disclosures and makes further clarifications to contracts made between the foreign entity and the institution to include any agreements for services from foreign government to include gifts, which is defined as money or property, human resources, or payment of any staff. Additionally, institutes and instructional programs are added to what must be disclosed for restricted and conditional gifts.

This section requires the Secretary to make the disclosure reports electronically available to the public for download 30 days after receipt. It also requires the Secretary to enter into a negotiated rulemaking to ensure institutions know what is required on gift disclosure reports to the Department.

Sec. 1014—Alcohol and substance misuse prevention

This section requires institutions that receive federal funding to adopt and implement an evidence-based program to prevent alcohol and substance misuse by students and employees. The section also requires the Secretary to enter into an agreement with the Secretary of Health and Human Services to develop the criteria that satisfy the evidence-based program requirement and promote best practices for adopting and implementing a program.

This section also updates and improves federal grants to support evidence-based alcohol and substance misuse prevention programs. Grant funding under this section can be used for activities including (but not limited to) providing recovery support services to stu-

dents, re-entry assistance for students on academic probation due to substance use, and the prevention of fatal and nonfatal overdoses. This section authorizes $15 million for FY 2019 and the five succeeding fiscal years for these grants.

Sec. 1015—Exception to required registration with selective service system

This section prohibits making an applicant ineligible for federal student aid under title IV of the HEA for failure to register for Selective Service in accordance with the Military Selective Service Act and repeals the requirement.

Sec. 1016—Integrity of nonprofit institutions of higher education

This section establishes requirements that institutions converting to nonprofit status must meet in order to participate under the HEA as a nonprofit. The institution must be tax exempt and meet the definition of nonprofit established in the HEA. The institution must also demonstrate that assets it acquires from former owners are not acquired at a value greater than its worth. Additionally, the institution must demonstrate that no member of its governing board or any person with the power to appoint or remove members from the governing board receives any substantial economic benefit (e.g. a lease, promissory note, other contract). Further, the institution cannot be controlled by an entity that is not a public institution or other nonprofit entity.

An institution must apply to convert to nonprofit status. The Secretary must publish the institution's application in the Federal Register with an appropriate notice and comment period. Upon final determination, the Secretary's decision and rationale must also be published in the Federal Register. A for-profit institution approved for nonprofit conversion must abide by the rules and regulations that apply to for-profit institutions for the first five years after such conversion.

An institution is prohibited from promoting or marketing itself as a nonprofit institution unless the Secretary has given final approval of the conversion, the accrediting agency has approved the nonprofit status, the State has given final approval to the institution as a nonprofit entity, and the Internal Revenue Service (IRS) has approved the institution as tax exempt.

The Secretary is required to create an office with expertise within the Department to carry out these provisions. The Secretary is also required to review the institution's governance when a public or private nonprofit institution has engaged in transactions or arrangements determined to be potential indicators of private inurement.

Sec. 1017—Support and guidance for homeless individuals and foster care youth

This section requires the Secretary to issue guidance, provide annual professional development opportunities, and issue a report at least once every five years on best practices for serving homeless individuals and foster care youth.

Sec. 1018—Calculation of percentage of enrolled students receiving or eligible for Federal Pell Grants

This section ensures that an institution offering dual enrollment programs is not penalized when calculating its share of students who receive Pell Grants. Low-income students who are enrolled in courses at an institution while still attending high school are not eligible for federal Pell Grants. This section removes such students from the total count of enrolled students that is used to calculate the share of students who are eligible for or receiving Pell Grants at an institution.

Sec. 1019—Certification regarding the use of certain Federal funds

This section makes a technical fix by striking reference to the Higher Education Opportunity Act (HEOA) and replacing such term with reference to the HEA to prohibit the use of funds from title IV of the HEA to be used to pay an individual advocating for a federal contract, grant, loan, or cooperative agreement. It also prohibits using title IV funds to hire a registered lobbyist for the purposes of securing an earmark.

Sec. 1020—Freedom of Association

This section prohibits institutions from retaliating against any student on the basis of such student's membership in a single-sex organization based solely on the membership practice of such organization limiting membership to only individuals of one sex.

Part C—Cost of Higher Education

Sec. 1021—Consumer information

This section amends the requirements for net price calculators in section 132 of the HEA. This section requires each institution to include a prominent link to the institution's net price calculator on relevant institutional webpages, display a chart of net prices for students receiving federal financial aid disaggregated by income category on the input screen for the calculator, include specified information on the results page of the calculator, and populate the calculator with data from not earlier than 2 academic years prior than the most recent academic year. This section prohibits data collected by net price calculators from being sold or made available to third parties. This section authorizes the Secretary to develop a universal net price calculator to enable users to answer one set of questions and receive net prices for any institution required to have a net price calculator under section 132 of the HEA.

This section adds the new adjusted cohort default rate (aCDR), as well as institutional expenditures on instruction, student services, marketing, recruitment, advertising, and lobbying to the College Navigator website.

Sec. 1022—Postsecondary student data system

This section directs the Commissioner of the National Center on Education Statistics (NCES) to develop and maintain a secure postsecondary student data system to evaluate student-level enrollment, progression, and completion patterns, post-college outcomes, postsecondary costs, and financial aid. In developing the system, the NCES Commissioner is required to focus on the needs of users

(including institutions), follow relevant web design and digital service standards, and ensure student data privacy and security in accordance with federal standards. The system is designed to improve institutional transparency, facilitate institutional improvement, reduce regulatory burden, and analyze, evaluate, and improve federal student aid programs.

The Secretary and NCES Commissioner are authorized to consider reporting to the new postsecondary student data system as sufficient to satisfy any other reporting required under section 132 of the HEA in cases where the same reporting or collection of data is required. The NCES Commissioner will review methods for streamlining data collection and minimizing duplicative reporting at least once every three years.

The postsecondary data system shall include, at a minimum, the student-level data elements necessary to calculate the information within any student-related surveys in the Integrated Postsecondary Education Data System (IPEDS) and the student-level data elements necessary for reporting enrollment, persistence, retention, transfer, and completion for all credential levels within and across institutions. Data reporting must be sufficient to allow for disaggregation by 10 separate characteristics including race, military or veteran status, Pell Grant eligibility, and Federal loan receipt. The NCES Commissioner is directed to consult with stakeholders in determining and revising data elements to be included in the postsecondary data system. The NCES Commissioner is prohibited from collecting the following for the purposes of the postsecondary data system: health data, discipline records or data, elementary and secondary education data, physical addresses, information on citizenship or national origin status, grades, student-level college entrance exam results, political affiliation, and religion.

The NCES Commissioner is authorized, after consultation with stakeholders, to include additional data elements in the postsecondary data system. The NCES Commissioner is also directed to enter into agreements with other federal agencies to create secure linkages between the postsecondary data system and other federal data systems. These secure linkages will result in the consistent reporting of data on postsecondary outcomes, financial aid, and post-college outcomes, protect student data privacy, and comply with all federal data protection protocols and applicable privacy laws.

The NCES Commissioner is required to make summary aggregate information available to the public in a user-friendly format on, at a minimum, institution-level data on access, progression, completion, cost, and post-college outcomes. The NCES Commissioner will also develop and implement a secure process for making non-personally identifiable student-level data available for research and evaluation purposes. Through this process, institutions and states will be able to request and receive non-personally identifiable information and aggregate summary data on current and former students. The process will also allow institutions to receive program-level data related to current and former students at least once a year.

The NCES Commissioner will promulgate guidance and regulations related to data access and security. Data collected under the postsecondary data system shall not be sold to any third party or

be used for any activity that would result in an adverse action against a student, including activities related to law enforcement, immigration law enforcement and debt collection.

Each institution participating in a title IV program is required to collect and submit data requested by the NCES Commissioner to carry out this section. Institutions not participating in title IV programs may elect to submit data if they so choose.

Sec. 1023—Avoiding duplicative reporting

This section allows the Secretary to use the postsecondary student data system created under Sec. 1022 of this Act to satisfy any other reporting required of institutions under title IV of the HEA.

Sec. 1024—Disclosure of non-instructional spending increases

This section requires institutions to disclose to students when non-instructional spending increases by more than 5 percent year-over-year. This section also requires such institutions to provide an analysis of the expected impact of such increase on tuition.

Sec. 1025—Textbook information

This section updates the current law definition of supplemental material by removing a reference to computer disks and incorporating references to online and digital learning platforms. It additionally requires that publishers provide information to institutions on whether textbooks and supplemental materials are available in digital formats. This section encourages institutions to disseminate information on institutional programs for accessing lower cost digital course materials and digital textbooks. It also adds inclusive access programs and digital content distribution platforms as examples of alternative content delivery programs. Institutions are encouraged but not required to disseminate information on such programs.

Sec. 1026—Repeals

This section lifts the ban on creating a student-level data system and repeals the state higher education information system pilot program.

Sec. 1027—In-state tuition rates for homeless youth and foster care youth

This section requires homeless and foster care students to receive in-state tuition at public institutions in the state where they live.

Part D—Administrative Provisions for Delivery of Student Financial Assistance

Sec. 1031—Improvements to the Federal Student Aid Office

This section amends the purpose of the Federal Student Aid Office at the Department—a Performance-Based Organization (PBO)—to include prioritizing students and borrowers in the decision-making process related to the management and administration of federal student aid programs. Other changes to the purpose include increasing transparency in the operations and outcomes of federal student financial assistance programs authorized under title IV.

To ensure the PBO carries out its duties effectively and in a manner that accomplishes its purposes, this section explicitly requires the Secretary to implement oversight and accountability measures.

Additionally, the PBO will now be responsible for the collection, publication, and sharing of aggregate and longitudinal data that may be used to evaluate federal student financial assistance programs, including the outcomes of such programs. The PBO is required to make the data available to NCES for purposes of research and policy analysis. The NCES Commissioner must make non-personally identifiable data available to researchers for approved research and evaluation purposes. The PBO must make aggregate data publicly available at least once a year.

This section also strengthens the PBO's performance plan and annual report, including by requiring the inclusion of measurable quantitative and qualitative goals and objectives set by the PBO. The Secretary is required to provide the authorizing Congressional committees a briefing on the steps taken by the Department to ensure the experience of students and borrowers are accounted for in decision-making and that contractors and third-party servicers (as amended by Sec. 4602 of this Act) are adhering to the requirements of title IV of the HEA. Further, within 180 days of the enactment of this Act, the Secretary must enter into a memorandum of understanding with the Consumer Financial Protection Bureau (CFPB).

Additionally, this section places some pre- and post-service restrictions on the Chief Operating Officer (COO) position. For example, the COO cannot be employed by or have a financial interest in an entity that contracts with the PBO. This section also requires that the performance agreement between the Secretary and COO include metrics that measure progress toward organizational and individual goals. It makes similar amendments to the performance agreement between the Secretary and senior managers. The COO must provide members of the public with information about the PBO's oversight of institutions, lenders, and third-party servicers.

This section renames the Student Loan Ombudsman to the Borrower Advocate and focuses the duties of the position on assisting borrowers and attempting to resolve borrower complaints. In consultation with knowledgeable parties, the Borrower Advocate must also resolve complaints about a homeless student's determination of independence for purposes of federal student aid. Similar to the COO, the Borrower Advocate must abide by pre- and post-service requirements as outlined in this section. Yearly, the Borrower Advocate must submit to the COO a report on the activities of the Borrower Advocate office.

This section establishes an enforcement unit to review and investigate violations of the HEA by institutions, lenders, and third-party servicers. The office is led by a Chief Enforcement Officer (CEO) who is appointed for a term of six years and reports directly to the Secretary. During such term, the CEO may only be removed for cause. The CEO must review and investigate each allegation and provide the Secretary with a recommendation on whether to pursue enforcement action against the entity concerned. The Secretary is then responsible for deciding the action. The enforcement unit must coordinate with existing federal agencies, state agencies, and oversight bodies and develop protocols for information sharing

on allegations. The CEO must also submit an annual report to the authorizing committees that includes the number of allegations received, the number of allegations investigated by the unit, and other pertinent information about the allegations.

TITLE II—TEACHER QUALITY ENHANCEMENT

Part A—Teacher and School Leader Quality Partnership Grants

Sec. 2001—Definitions

This section adds 25 new definitions and makes technical edits to align some terms to those used in the reauthorization of the Elementary and Secondary Education Act (ESEA). The new definitions include: "blended learning," "comprehensive literacy instruction," "digital literacy," "diverse teacher candidates," "English learner," "evidence-based," "evidence of student learning," "foster care," "homeless child," "infant or toddler with a disability," "mentoring," "profession-ready," "residency program," "school leader," "school leader preparation entity," "school leader preparation program," "teacher leader," "teacher performance assessment," "teacher preparation entity," "teacher preparation program," and "trauma-informed care."

Sec. 2002—Purposes

This section expands the purpose of title II to include 1) accountability for educator preparation programs; 2) recruitment of individuals from underrepresented groups and other occupations as educators with an emphasis on addressing high shortage areas as identified by the state; and 3) support for staffing needs of high-need local educational agencies (LEAs) through partnerships with educator preparation programs at universities.

Sec. 2003—Partnership grants

This section expands the Teacher Quality Partnership Grant program to include partnership grants for principal or school leader residency programs in high-need schools. Programs must be based on successful models that prepare principals or school leaders for success in high-need schools. These programs must include rigorous graduate coursework toward an appropriate advanced credential and learning opportunities under an experienced principal or school leader mentor. The section outlines selection criteria for school leader or principal mentors.

Eligible individuals for the principal or school leader residency program must have prior preK–12 teaching experience and have experience as an effective leader, manager, and written/oral communicator. If selected for the program, school leader residents would receive a one-year living stipend or salary in exchange for agreeing to serve for at least three school years in a high-need school. Participants who do not complete the program must repay the stipend or salary to the eligible partnership. This section also adds a requirement for all residency programs to expose participants to the principles of universal design for learning and multi-tiered systems of support. Successful programs will facilitate collaboration and cultivation of relationships with external stakeholders (including professional disciplinary organizations and non-

profit advocacy organizations) to foster the sharing of evidence-based resources to promote high-quality, effective practices.

Additionally, this section repeals the existing Partnership Grants for the Development of Leadership program and replaces it with the Teacher Leader Development Program. The Teacher Leader Development program provides grants to fund professional development activities for teachers who maintain their role as classroom teachers but who also carry out formalized leadership responsibilities, including the development of curriculum, team management, family and community engagement, peer observations and coaching, and dual enrollment instruction. Grantees must develop a plan detailing how teacher leaders will allocate their time between leadership activities and classroom responsibilities, as well as how the grantee will support teacher leaders after the program concludes. This section outlines selection criteria for teacher leaders.

This section also authorizes "Grow Your Own" programs as a use of funds for the grants. Eligible partnerships are between institutions and high-need LEAs to recruit and support paraprofessionals and other school personnel to become educators in their schools. Partnerships would integrate coursework and school-based learning opportunities that include a year-long clinical residency with mentorship to support candidates in earning their associate's, bachelor's, or master's degrees and a teaching or school leadership credential. Successful programs offer financial aid (in addition to the assistance that educator candidates qualify for under title IV of the HEA) and may offer candidates stipends to cover living and childcare costs for the duration of the program. Programs may also offer compensation to residency mentors.

Sec. 2004—Administrative provisions

This section maintains that an eligible partnership may not receive more than one grant in a five-year period, except that partnerships may now receive an additional grant if used to establish a teacher or principal residency program not previously established with the prior grant.

Sec. 2005—Accountability and evaluation

This section requires that each eligible partnership develop an evaluation plan that includes rigorous, comprehensive, and measurable objectives for any of the residency programs for which grants can be used.

Sec. 2006—Accountability for programs that prepare teachers, principals, or other school leaders

This section establishes teacher and school leader retention rates in the same LEA and in the profession as indicators of teacher and school leader preparation program quality. Teacher and school leader preparation programs must report retention rates to the state and public. The section also adds school leader preparation programs to the State report card requirement on teacher preparation program quality. It also specifies that states are not responsible for reporting program completion for those who do not teach in the State.

Sec. 2007—Teacher development

This section replaces "limited English proficient" with "English learner."

Sec. 2008—State functions

This section specifies that states must identify at-risk and low-performing teacher and school leader preparation programs. It also specifies that states must conduct the at-risk and low-performing program identification in order to receive funds under title II of the ESEA, in addition to receiving funds under this title of the HEA, as previously required. It also increases the requirements and capacity for effective oversight and intervention for at-risk and low-performing teacher and school leader preparation programs to ensure program improvement. It adds a requirement that states work in consultation with a representative group of community stakeholders (including leaders and faculty of traditional and alternative route educator preparation programs, preK–12 leaders and staff, teacher leader candidates, and other stakeholders as determined by the state) to identify low-performing programs. States must establish a period of improvement and redesign for such programs.

This section also removes the requirement that states reinstate teacher preparation programs that closed upon demonstration of improved performance, meaning that states are not required to reopen a failing program even if its performance improves. This section maintains the authority for the Secretary to issue regulations on state functions in evaluating teacher preparation programs, so long as such regulations are promulgated pursuant to a negotiated rulemaking.

Sec. 2009—General provisions

This section makes a technical edit to institutions' reporting requirements.

Sec. 2010—Elevation of the education profession study

This section establishes a new study to examine state policies related to teacher and school leader education and certification. The study seeks to produce a comprehensive set of expectations for entry into the profession and ensure teachers and school leaders are profession-ready upon entering the field. Additionally, the study will include recommendations to Congress on evidence-based best practices to elevate the education practice. This section requires the Secretary to establish an Advisory Committee to carry out the study, which will be comprised of representatives from a variety of educational technology organizations, nonprofits, teacher unions, professional development organizations, and state and LEAs.

Sec. 2011—Authorization of appropriations

This section increases the authorization level of the Teacher and School Leader Quality Partnership Grants program from $300 million to $500 million for FY 2021 and the five succeeding fiscal years.

Part B—Enhancing Teacher and School Leader Education

Sec. 2101—Enhancing teacher and school leader education

This section authorizes $150,000,000 to carry out this part for FY 2021 and each of the five succeeding fiscal years. This section repeals authorizations for three unfunded grant programs. This section adds Congressional findings on the teacher diversity gap that negatively affects student achievement to the Honorable Augustus F. Hawkins Centers of Excellence program. It also establishes that the purpose of such program is to strengthen and expand the recruitment, training, and retention of diverse candidates into the teaching profession. It specifies that funds may also be used to implement reforms in school leader programs at eligible institutions.

This section re-designates Subpart 2 as Preparing Well-Rounded Teachers as an update to the previously authorized Part B program that prepared general education teachers to educate students with disabilities. The program will provide competitive grants to improve general educator preparation to ensure that teacher candidates have the skills necessary to instruct students with disabilities in general education classrooms and to expand programs that embed social-emotional learning, trauma-informed care, and positive behavior management practices.

Subpart 3 authorizes the Preparing Teachers for English-Learner Instruction program, which will provide competitive grants to improve the preparation of teacher candidates to ensure they possess the knowledge and skills necessary to effectively instruct English Learners. Eligible partnerships that receive grants must provide a match of at least 25 percent toward the cost of activities. The Secretary is required to ensure geographic distribution in awarding grants. Grantees must report an evaluation of the program to the Secretary who will make the findings public.

Subpart 4 is re-designated as the Graduate Fellowships to Prepare Faculty in High-Need Areas at Colleges of Education, which was formerly authorized as Subpart 5.

Subpart 5 specifies priorities in awarding competitive grants to any Part B program. The Secretary must prioritize programs that increase diversity in the educator workforce, those that recruit candidates to work in their local schools, or address the science, technology, music, arts, math, and computer science teacher shortages.

TITLE III—INSTITUTIONAL AID

Sec. 3001—Strengthening institutions

This section adds the following allowable uses for the Strengthening Institutions Program (SIP): establishing community outreach programs, developing and implementing postsecondary career and technical education programs, aligning and integrating career and technical education programs with programs of study, and developing and expanding dual enrollment programs.

Sec. 3002—Strengthening institutions

This section makes changes to give Tribally Controlled Colleges and Universities (TCCUs), Alaska Native and Native Hawaiian-Serving Institutions (ANNHSIs), Predominantly Black Institutions (PBIs), Native American-Serving Non-Tribal Institutions

(NASNTIs), Asian American Native American Pacific Islander Serving Institutions (AANAPISIs), and institutions receiving grants under the SIP more flexibility to develop endowments. Such flexibility includes allowing institutional grantees that use grant funds for endowments to count restricted gifts to the endowment fund toward the statutory matching requirement and reducing such requirement from a minimum of 100 percent to 50 percent. This section further allows institutions using grant funds for endowment growth to use endowment earnings to support student scholarships.

This section adds instruction in Native American language and outreach to encourage adults to pursue an interest in postsecondary education to the list of authorized activities for title III funds for TCCUs. This section also removes the requirement that TCCUs must enroll a certain threshold of needy students and have low educational and general expenditures and allows TCCUs to carry over unspent funds into the next grant cycle.

This section authorizes the Native American Language Vitalization and Training Program to support the preservation, revitalization, relevancy, and use of Native American languages. Under such program, TCCUs, ANNHSIs, and AANAPISIs located in American Samoa, Guam, or the Commonwealth of the Northern Mariana Islands are eligible to apply for grants (not to exceed five years in length) to support programs that promote Native American languages. Authorized activities include curriculum and professional development, partnerships with K–12 schools, and innovative language programs (e.g. language immersion programs). This section authorizes $20 million for FY 2021 and each of the five succeeding fiscal years for this program, $15 million of which shall be made available to TCCUs each fiscal year.

This section makes a technical correction to ensure that ANNAHSIs and AANAPISIs are aligned with the other institutions regarding eligibility for Title V. This section also makes a technical correction to ensure that PBIs, like other institutions funded under sections 316 through 320 of the HEA, do not face a wait-out period before being eligible to compete for funding.

Sec. 3003—Strengthening Historically Black Colleges and Universities

This section expands the authorized activities for grants to Historically Black Colleges and Universities (HBCUs) authorized under section 323 of the HEA to include support for customized instructional courses, such as remedial education; the acquisition of technology; establishment or enhancement of an alternative teacher training program; creation or improvements to distance education programs; establishment or improvements to programs that support the educational outcomes of Black males; financial assistance to students in Science, Technology, Engineering, and Math (STEM) fields (not more than 30 percent of the grant can be used for this purpose); and establishment or improvement of an office to help identify and apply for external funding opportunities.

This section gives HBCUs flexibility to develop endowments using funds awarded under title III of the HEA. Such flexibility includes allowing HBCUs that use grant funds for endowments to count restricted gifts to the endowment fund toward the statutory matching requirement and reducing such requirement from a min-

imum of 100 percent to 50 percent. This section further allows HBCUs using grant funds for endowment growth to use endowment earnings to support student scholarships.

This section also amends the process for allotment of funds to allow six years for HBCU graduates to enroll in a graduate or professional discipline where Black students are underrepresented; amends the minimum allotment each HBCU must receive based on whether the institution has previously received a grant under part B of title III; and includes a hold harmless provision for institutions that were funded in FY 2019 in the event additional institutions become eligible. This section also makes changes to require a description of student retention, graduation, and post-graduate outcomes goals on the funding application.

This section updates the allowable uses in grants to Historically Black Graduate Institutions under section 326 of the HEA to allow for strengthening of funds management, tutoring and student supports, and creating or improving distance education programs. This section makes the University of the Virgin Islands School of Medicine an eligible institution for this grant.

Sec. 3004—Historically Black College and University Capital Financing

This section makes several changes to improve the administration and availability of funds under the HBCU Capital Financing program. It recharacterizes the current escrow account as a bond insurance fund to address concerns arising from state laws that have prevented public HBCUs in certain states from accessing funds under this program. This section limits the interest rate on loans for academic facilities in STEM disciplines to one percent and it increases the aggregate bond limit to $3.6 billion. This section improves the Department's ability to provide technical assistance to HBCUs seeking capital improvement loans and allows Department to modify or defer a loan made to an institution. Finally, this section strengthens the oversight provided by the HBCU Capital Financing Advisory Board.

Sec. 3005—Strengthening Historically Black Colleges and Universities and other minority-serving institutions

This section authorizes and appropriates $300 million for FY 2021 and each of the succeeding fiscal years for part F of title III of the HEA and adjusts the allocation amounts for each institutional designation proportionate to the increase annual funding.

Sec. 3006—General provisions

This section reauthorizes discretionary programs in support of TCCUs, ANNHSIs, PBIs, NASNTIs, AANAPISIs, Historically Black Graduate Institutions, and institutions receiving SIP funds for FY 2021 and each of the five succeeding fiscal years. This section reauthorizes Endowment Challenge Grants, the HBCU Capital Financing program, the Minority Science and Engineering Improvement Program, and the Programs in STEM Fields.

Sec. 4001—Effective date

This section establishes an effective date of July 1, 2021 for title IV of this Act, unless otherwise provided.

Part A—Grants to Students in Attendance at Institutions of Higher Education

Subpart 1—Federal Pell Grants

Sec. 4011—Amount of grants

This section increases the maximum Pell Grant award by $625 (to $6,820 for the 2021 2022 award year) and reinstates and makes permanent annual inflation increases to the maximum award. This section repeals the ban on the use of Pell Grants among incarcerated individuals, continues the year-round Pell Grant program, and makes conforming changes to include references to the aCDR and on-time repayment rate authorized by this Act.

Sec. 4012—Grant eligibility

This section allows students to exhaust full Pell eligibility on graduate studies following completion of a bachelor's degree. This section extends the period of eligibility for Pell Grants from 12 semesters to 14 semesters. This section restores Pell Grant eligibility for students who had federal student loans forgiven due to school closure or fraudulent institutional behavior and for students who successfully assert a borrower defense claim and restores Pell Grant eligibility to students who did not receive a federal student loan but would have qualified for a loan discharge due to such circumstances.

Sec. 4013—Extending Federal Pell Grant eligibility of certain short-term programs

This section authorizes the use of Pell Grants for short-term job training programs that last between 8 and 15 weeks, provide between 150 and 600 hours of instructional time, and lead to an industry-recognized credential. Participating institutions are required to work with an industry or sector partnership to ensure that programs are aligned with the requirements of high-skill, high-wage, or in-demand industry sectors or occupations in the state or local area.

This section makes students who have already received a post-baccalaureate degree ineligible for use of Pell Grants for short-term job training program and stipulates that any period during which a student receives a job training Pell Grant will be included in calculating such student's total eligibility period for Pell Grants. The minimum Pell award is waived for the purposes of this section, and students are prohibited from simultaneously receiving a standard Pell Grant and a Pell Grant for enrollment in a short-term job training program.

Industry and sector partnerships will identify the anticipated earnings of program graduates for short-term programs accessing Pell under this section, which must be higher than earnings of students with only a high school diploma. The anticipated earnings

benchmark is subsequently used to review eligibility for job training programs. This section requires institutions providing short-term programs accessing Pell under this section to ensure that students are able to earn academic credits that are applicable to a subsequent certificate or degree program. Credits can be awarded at the time of course completion or upon enrollment in a subsequent program (for example, via a prior learning assessment). Institutions must inform students of the anticipated earnings and subsequent certificate and degree programs associated with Pell-eligible job training programs.

Short-term programs accessing Pell under this section must also meet requirements associated with programs that prepare students for gainful employment in a recognized occupation and the earnings and completion requirements associated with short-term programs that access federal student loans. Only title IV eligible institutions listed in the Workforce Innovation and Opportunity Act (WIOA) eligible training provider lists may participate under this section, and programs must be part of a career pathway (as defined in WIOA) in order to be eligible. For-profit institutions and any institution that has been subject to adverse or negative actions by accrediting agencies or state or federal enforcement agencies within the past five years are excluded from accessing Pell under this section. This section establishes that job training programs cannot exceed by more than 50 percent the minimum program length required by a state to receive a professional license or certification. Institutions must secure confirmation from the state workforce board of the state in which the program is located of the program's compliance with this and other relevant requirements.

This section requires the Secretary to approve short-term program applications within 180 days and review each program's eligibility at least once every three years. This review must, at a minimum, evaluate whether program completers are earning the anticipated wages identified in the initial application. The Secretary is also required to collect data on the impact of short-term programs accessing Pell under this section and report on such impact to the public and to Congress.

Sec. 4014—Providing Federal Pell Grants for Iraq and Afghanistan veteran's dependents

This section makes the Iraq and Afghanistan Service Grants program part of the Pell Grant program, effective for the award year immediately following the date of enactment of this Act.

Sec. 4015—Federal Pell Grant fraud prevention

This section requires the Secretary to prepare and submit an annual report to Congress regarding potential fraud in the Pell Grant program, including the name of every institution where more than two percent of total applicants were flagged for unusual enrollment history.

Sec. 4016—Federal Pell Grants on behalf of incarcerated individuals

This section establishes requirements that institutions must satisfy in order to receive Pell Grant funding for the enrollment of incarcerated students. Only public institutions, private nonprofit in-

stitutions, and postsecondary vocational institutions (as defined in section 102(c) of the HEA) are eligible to award Pell Grants on behalf of incarcerated students. Institutions are not eligible if they have been subject to the denial, withdrawal, suspension, or termination of accreditation over the past five years.

Institutions offering Pell-eligible prison education programs must provide incarcerated students with academic credits that are the same as credits earned by non-incarcerated students for an equivalent course and provide confirmation from each facility involved that the course of study offered by the institution at such facility is accessible to incarcerated individuals, including individuals with disabilities. Institutions offering distance education programs must provide evidence of the institution's success in offering distance programs and confirmation that the distance education program offers levels of faculty interaction, peer engagement, and student support sufficient to enable students to successfully participate the program.

Institutions must additionally institute a process to allow incarcerated individuals to access their transcripts and other educational records, including after transfer or release, and to allow incarcerated students opportunities to provide feedback on educational programs that are comparable to the opportunities afforded to non-incarcerated students. Institutions are prohibited from passing any direct costs onto Pell-eligible incarcerated students or their families, including the cost of accommodations for students with disabilities. The cost of attendance for Pell-eligible students must be covered by other sources, such as federal, state and institutional grants or other grant aid. This requirement applies to students who are determined, based on the income and asset information submitted in the FAFSA, to have an expected family contribution (EFC) that would qualify them for Pell, regardless of whether the student receives a Pell Grant.

A limited exception is made to the direct cost prohibition for students who are determined, based on the income and asset information submitted in the FAFSA, to have an EFC that would disqualify them from receiving a Pell Grant. In such cases, institutions may not directly charge such students an amount that exceeds their EFC.

Institutions must additionally provide the following information to prospective students, the Secretary, the institution's accrediting agency, and the correctional facility with regard to each course of study offered to Pell-eligible incarcerated students: the cost of attendance; the mode of instruction (e.g. distance education, in-person, or blended); how enrollment will impact students' lifetime eligibility for Pell Grants; the transferability of credits and whether credits are counted toward a degree or certificate program offered by the institution; the process for continuing education upon transfer to another facility or release; the process for continuing enrollment at the institution upon release, including barriers to admission such as criminal history questions on applications for admissions; and in the case of programs designed to prepare students for gainful employment in a recognized occupation, information on any relevant licensure and certification requirements for the relevant occupation, as well as restrictions in State or federal law related

to the employment of formerly incarcerated individuals in the relevant occupation.

This section requires the Secretary to confirm an institution's initial eligibility and determine at least once every 5 years whether an institution should continue to be eligible to receive Pell Grants on behalf of incarcerated students. Reviews of eligibility are based on compliance with the requirements of this Act, the data collected on each course of study offered by the institution, and any other information that may be available to the Secretary. The Secretary is also required to collect data on the courses of study for which incarcerated students receive Pell Grants, including data related to student demographics, the share of students receiving Pell Grants, academic outcomes of incarcerated students (such as credit accumulation and degree completion), to the extent practicable, post-release outcomes (such as continued postsecondary enrollment, employment, and recidivism), and, where available, data from student satisfaction surveys conducted by the institution or correctional facility. The Secretary will provide a report on best practices in educating incarcerated students at least once every three years and issue a report on the impact of the expansion of Pell Grants for incarcerated students within three years of the enactment of this Act.

Subpart 2—Federal Early Outreach and Student Services Programs

Chapter 1—Federal TRIO Programs

Sec. 4021—Program authority; authorization of appropriations

This section authorizes the minimum grant amount for TRIO programs at $220,000 except in cases where total funding would result in fewer than 2,7800 grants being awarded, in which case the minimum is reduced until at least 2,7800 grants can be funded. This section further renames the TRIO priority for 'prior experience' to 'prior success' and ensures that homeless and foster youth are able to participate in and benefit from TRIO services. Homeless and foster youth status are also added as required disaggregation categories for TRIO programs.

This section sets the required timeframe for notifying grant recipients of the status of their renewal applications at 90 days and requires the Department to publish guidance for TRIO applicants at least 90 days before the start of each grant competition. The Department is also required to provide at least one virtual, interactive training for potential grant applicants.

This section prohibits the Department from rejecting a TRIO grant application solely on the basis of a failure to meet page limits and formatting standards. It further requires that the Department provide applicants an opportunity to correct typographical and rounding errors in proposed budgets before issuing any rejection or penalty.

This section allows TRIO programs to use income as reported in the FAFSA and Pell Grant eligibility as proof of low-income status for the purpose of qualifying for TRIO services. For the Talent Search and Educational Opportunity Centers programs, students will also be considered low-income if they attend a school that is receiving or eligible to receive special assistance payments through the federal free and reduced price school lunch program.

This section makes conforming changes to remove references to the Academic Competitiveness Grant Program. For the Talent Search and Upward Bound programs, this section adds outcome metrics related to FAFSA completion and college admissions applications. For Upward Bound programs this section further ensures that programs that specifically target veterans will be evaluated based on a set of criteria reflective of the population served (e.g. not including metrics related to high school performance). For Student Support Services (SSS) Programs, this section ensures that outcome metrics for programs at two-year institutions accurately reflect the success of students who transfer to a four-year institution. For Postbaccalaureate Achievement Programs, this section sets a two-year timeframe for the graduate study outcome metric and a ten-year timeframe for the outcome metric related to doctoral degree attainment. For Educational Opportunity Centers, this section sets a two-year timeframe for the outcome metric related to enrollment in programs that lead to a secondary school diploma or its equivalent and ensures that returning college students are captured in the college enrollment outcome metric.

This section authorizes $1.12 billion for FY 2021 and each of the five succeeding fiscal years and includes an annual inflation increase for FY 2022 through FY 2026. This section authorizes the Department to use up to one percent of program funds to administer grant competitions, conduct oversight, provide technical assistance, and provide guidance to potential TRIO applicants.

Sec. 4022—Talent search

This section adds college advising to the purpose of the Talent Search program, adds career counseling to the list of required services, and ensures that required financial literacy services include information on degree choice and potential federal loan burden. This section requires applicants to provide an assurance that they have reviewed and revised policies and practices to remove barriers to participation of homeless and foster youth and to submit a description of the activities they will undertake to conduct outreach to homeless and foster youth. Talent Search grant recipients must also report on the number of homeless children and youth served and any strategies or program enhancements that were effective in meeting the needs of homeless and foster youth.

Sec. 4023—Upward bound

This section updates the required services for Upward Bound to include career counseling and to ensure that required financial literacy services help participants make informed choices regarding postsecondary options. This section removes a required activity related to providing secondary school reentry, alternative education programs, and GED programs. This section specifies that Upward Bound programs shall provide instruction in math, science, foreign language, language arts, and, in the case of a program not designed specifically for veterans, literature. This section strikes the requirement that multi-year grant recipients provide instruction in such areas and strikes language related to program funding in FY 2008 through FY 2011.

This section replaces references to “youth” with the word “participants” and sets the maximum stipends available to participants at

$90 per month in the summer, $450 per month for individuals participating in a work-study program in the summer, and $60 per month during non-summer months. This section authorizes a $100 per month stipend available to adults participating in projects specifically targeting veterans.

This section requires Upward Bound applicants to provide an assurance that they have reviewed and revised policies and practices to remove barriers to participation of homeless and foster youth and to submit a description of the activities they will undertake to conduct outreach to homeless and foster youth. Upward Bound grant recipients must also report on the number of homeless children and youth served and any strategies or program enhancements that were effective in meeting the needs of homeless and foster youth.

Sec. 4024—Student support services

This section includes support for low-income and first-generation college students in the purpose of the SSS Program. This section strikes financial planning services from the program purpose and includes such services as a required service. This section further amends the required services to require that financial literacy services include information on loan burdens, repayment options, and expected earnings.

This section requires SSS applicants to provide an assurance that they have reviewed and revised policies and practices to remove barriers to participation of homeless and foster youth and to submit a description of the activities they will undertake to conduct outreach to homeless and foster youth. SSS grant recipients must also report on the number of homeless children and youth served and any strategies or program enhancements that were effective in meeting the needs of homeless and foster youth.

Sec. 4025—Postbaccalaureate achievement program authority

This section amends required services for the Postbaccalaureate Achievement Program to include year-round internships as well as faculty-led experiences. This section authorizes the maximum annual stipend for participating students at $4,000.

Sec. 4026—Educational opportunity centers

This section amends the purpose of the Educational Opportunity Centers (EOC) program to reflect the participation of returning students and to ensure that financial literacy services include information on financial planning for college, including loan burdens, repayment options, and expected earnings.

This section requires EOC applicants to provide an assurance that they have reviewed and revised policies and practices to remove barriers to participation of homeless and foster youth and to submit a description of the activities they will undertake to conduct outreach to homeless and foster youth. EOC grant recipients must also report on the number of homeless children and youth served and any strategies or program enhancements that were effective in meeting the needs of homeless and foster youth.

Sec. 4027—Staff developmental activities

This section amends staff development activities for TRIO programs to include webinars and online classes and make training available to all staff of TRIO programs. This section provides for two training opportunities on legislation and regulatory requirements and program management—one for new directors and one for continuing directors and staff. This section strikes a reference to "model programs" and inserts a reference to "innovations."

Sec. 4028—Reports and evaluations

This section expands reporting requirements for various TRIO programs. This section removes references to an FY 2010 evaluation of Upward Bound programs and specifies that evaluations of TRIO programs shall address issues including the effectiveness of programs and projects in meeting or exceeding their stated objectives, enhancing access of low-income and first-generation students to postsecondary education, and preparing such individuals for college. The section further requires that TRIO evaluations compare students who participate in TRIO programs with students who do not participate, including on measures of educational attainment, retention rates, graduation rates, and college admission and completion rates. It ensures that the outcome targets used by TRIO programs are considered when implementing evaluations required under this section and requires that Upward Bound programs be additionally evaluated based on the characteristics of students who benefit most from such programs. This section requires that TRIO evaluations be submitted to the Congress.

This section authorizes reporting requirements related to homeless and foster youth to which Talent Search, Upward Bound, Student Support Services, and Educational Opportunity Centers grant recipients are subject. Such grant recipients must report on the number of homeless children and youth served (when such data are available) and any strategies or program enhancements that were effective in meeting the needs of homeless and foster youth.

Chapter 2—Gaining Early Awareness and Readiness for Undergraduate Programs

Sec. 4031—Gaining early awareness and readiness for undergraduate programs

This section makes amendments to emphasize college readiness and codify long-standing policies related to the receipt of multiple awards, the distribution of program funds, the frequency of open competitions, and the treatment of non-federal scholarships for the purposes of the non-federal matching requirement. It also updates competitive priorities and applies such priorities as optional to both state and partnership grantees.

This section requires GEAR UP applicants to describe how they will facilitate the participation of homeless and foster youth in GEAR UP programs, including through identification and outreach activities, data collection and reporting, and the revising of policies and practices to remove barriers to participation among homeless and foster youth.

This section authorizes a two-to-one federal-to-non-federal match requirement. This section authorizes, as grant activities, advising

by peer and near-peer mentors, counseling and referral services, additional types of assessments, and capacity building activities that create college going cultures in participating schools. This section authorizes grantees to implement expanded credit recovery programs, to collect and analyze data, and to recruit and retain homeless individuals and foster care youth. This section authorizes, but does not require, grantees to provide services to high school students who received services under a previous grant. This section authorizes the provision of technical assistance as an activity of State grantees.

This section clarifies that free and reduced priced lunch eligibility can be used to determine status as a priority student and provides flexibility for GEAR UP grantees that choose to offer scholarships. This section allows scholarship recipients to use funds for pre-enrollment costs such as application fees and deposits. This section further improves the technical assistance available to, and national evaluations of, GEAR UP programs.

This section authorizes reporting requirements related to homeless and foster youth to which GEAR UP grantees are subject. Grant recipients must report on the number of homeless children and youth served (when such data are available) and any strategies or program enhancements that were effective in meeting the needs of homeless and foster youth.

This section authorizes $500 million for FY 2021 and each of the five succeeding fiscal years for GEAR UP programs.

Subpart 3—Federal Supplemental Educational Opportunity Grants

Sec. 4041—Purpose; appropriations authorized

This section authorizes appropriations for the Federal Supplemental Educational Opportunity Grants (FSEOG) program and authorizes the creation of an emergency grant aid program for public and private nonprofit institutions that participate in FSEOG. This section authorizes $1.15 billion for FY 2021, $1.3 billion for FY 2022, $1.45 billion for FY 2023, $1.6 billion for FY 2024, and $1.75 billion for FY 2025 and each succeeding fiscal year. This section also allocates $12.5 million from authorized funds in FY 2021 and each of the five succeeding fiscal years for the emergency grant aid program.

Sec. 4042—Institutional eligibility

This section does not require an institutional match of funds for HBCUs, TCCUs, and HSIs, ANNHSIs, PBIs, AANAPISIs, and NASNTIs (other MSIs), described under title III and title V of the HEA, that participate in FSEOG.

Sec. 4043—Allocation of funds

This section amends the formula for allocation of FSEOG program funds to give more weight to student need and provides for gradual implementation of such amended formula. Beginning in FY 2021 the formula changes to: 90 percent of the amount the institution received in FY 2020 or the fair share amount, whichever is greater. This continues through FY 2022—FY 2025. Starting in FY 2026 and for each succeeding fiscal year, the allocation is the fair share amount.

This section defines the fair share amount as based on undergraduate need at the institution, which is equal to 50 percent of the proportional amount of Pell grants awarded at the institution relative to Pell Grants awarded at all participating institutions, and 50 percent of the proportional amount of undergraduate need at the institution relative to institutional need at all participating institutions. Undergraduate need is determined by taking such student's average cost of attendance at the participating institution and subtracting such student's EFC which cannot exceed such student's annual subsidized or unsubsidized loan limit. An institution that enrolls less than seven percent Pell Grant recipients for two or more fiscal years during a three-year fiscal year period is ineligible to participate in FSEOG.

Sec. 4044—Emergency financial aid grant program

This section authorizes a competitive grant program for participating institutions to provide students with emergency funding of no more than $750 for an individual request and no more than $2,000 total from the federal share of funds through completion. Institutions are provided flexibility to define an emergency for which a grant may be awarded to a student but at minimum, this includes loss of employment, loss of housing, food insecurity, a medical condition, and death or medical condition of the student's parent or guardian. The Secretary will determine how quickly aid must be released to students and priority is given to institutions that enroll at least 30 percent Pell eligible students. Participating institutions are required to report annually to the Secretary about the outcomes of the grant program including the types of emergencies declared and the average grant award.

Subpart 4—Special Programs for Students Whose Families Are Engaged in Migrant and Seasonal Farmwork

Sec. 4051—Special programs for students whose families are engaged in migrant and seasonal farmwork

This section reauthorizes the high school equivalency program and college assistance migrant program projects for FY 2021 and each of the five succeeding fiscal years.

Subpart 5—Child Care Access Means Parents in School

Sec. 4061—CCAMPIS reauthorization

This section reauthorizes and makes changes to the Child Care Access Means Parents in School (CCAMPIS) program. This section authorizes the maximum grant amount at 2 percent of the total amount of Pell Grant funds awarded to students at the institution and authorizes the Department to award bonus funds to longstanding and successful grantees in the event that appropriations for the program exceed $140 million in a given fiscal year. Such bonuses are not to exceed an amount equal to 20 percent of the annual grant payment received by the institution in the preceding fiscal year.

This section authorizes a five-year grant period for CCAMPIS and specifies that grant funds may be used to provide evening, summer, weekend and before and after school services, as well as

services to expectant parents. This section requires CCAMPIS applications to include information on the number of low-income student parents being served through campus-based childcare services and the estimated percentage of the institution's grant that will be used to directly subsidize the fee charged for on- and off-campus childcare for low-income students.

This section requires new grantees to meet reasonable quality standards aligned to standards used in other federal childcare support programs within three years of receiving a CCAMPIS grant. This section requires grantees to provide information to student parents on potential eligibility for benefits under the supplemental nutrition assistance program (SNAP), special supplemental nutrition program for women, infants, and children (WIC), and temporary assistance for needy families (TANF) program. Applications must also contain an abstract summarizing the contents of such application and how the institution intends to achieve the purpose of the CCAMPIS program. This section further requires applications to include an assurance that the applicant will provide information regarding the availability of child care subsidies for student parents and the dependent care cost allowance available to parents with dependent children in accordance with section 472 of the HEA.

This section authorizes the Secretary to provide technical assistance to help eligible institutions qualify for, apply for, and maintain a CCAMPIS grant. This section updates CCAMPIS priorities to include the extent to which grantees leverage local or institutional resources and to prioritize applicants that demonstrate a high likelihood of need for campus-based child care based on student demographics.

This section updates and refines the reporting requirements for CCAMPIS grantees and includes specific reporting on the outcomes of students who receive child care services at least once per week. Such outcomes, which include rates of retention, transfer, and graduation, are compared to outcomes among all students and low-income students at the institution. Grant recipients must also report on the percentage of the institution's grant that was used to directly subsidize the fee charged for on- and off-campus childcare and indicate whether the institution restricts eligibility to only full-time students. Institutions receiving CCAMPIS grants must also set sufficiently ambitious performance goals to be used to asses eligibility for bonus funds. Such performance goals are not used to determine initial or ongoing eligibility for CCAMPIS.

This section requires the Secretary to annually produce a public report summarizing the information collected from CCAMPIS grantees and to provide technical assistance to help grantees meet CCAMPIS reporting requirements.

This section authorizes $200 million for FY 2021 and each of the five succeeding fiscal years.

Subpart 6—Jumpstart to College Grant Programs

Sec. 4071—Jumpstart to college grant programs

This section authorizes the "Jumpstart to College" grant program to increase the percentage of students, particularly low-income students and other students traditionally underrepresented in higher

education, who complete a recognized postsecondary credential within 100 percent of normal time for the completion of such credential.

This section defines eligible entities as public or private nonprofit institutions partnered with one or more LEA. This section also aligns definitions of dual or concurrent enrollment and early college high school, along with other definitions, with the ESEA. The term recognized postsecondary credential is aligned to WIOA.

This section authorizes $250 million for FY 2021 and each of the five succeeding fiscal years. This section reserves 40 percent of funds to grants that are partnerships established between institutions and LEAs, 55 percent of funds for grants to states, and 5 percent for national activities.

This section creates a six-year competitive grant competition for eligible entities to establish or support a dual or concurrent enrollment program or early college high school and limits each grant to no more than $2 million. Grantees must provide a match that starts at 20 percent of the grant award and increases over time to 50 percent by year six. This section allows the Secretary to give priority to applicants that propose to establish or support a quality program serving low-income students. Priority shall also be given to applicants located in states that provide state support for dual enrollment or early college. The Secretary shall ensure that awardees are geographically diverse and represent both two- and four-year institutions.

This section creates a six-year competitive grant competition for states to assist them in supporting or establishing early college high schools or dual or concurrent enrollment programs. There is no authorized limit on the maximum award given to any one state. States must match at least 50 percent of the grant award with non-federal funds. Applicants must provide information on how the state will do the following: Access and leverage resources necessary to sustain the programs; align programs with ESEA, WIOA, Carl D. Perkins Career and Technical Education Act (CTE); and identify and eliminate barriers to program sustainability.

This section requires all grantees to submit annual reports to the Department including information about the number of students enrolled in programs funded under this section, the number and percentage of students who earn a recognized postsecondary credential when they graduate high school, the number of postsecondary credits students earn, and other outcome data.

This section requires the Department to provide technical assistance to grantees and disseminate best practices. Further, this section requires the Department to contract with an independent entity to evaluate the grants awarded under this section.

Subpart 7—TEACH Grants

Sec. 4081—Revised definitions of teach grants

This section defines teacher preparation programs as a state-approved course of study at an institution that meets all the state's educational or training requirements for initial certification or licensure to teach in the state's elementary or secondary schools.

Sec. 4082—Revisions to establishing teach grant program

This section allows for individuals who complete an associate's degree in early childhood development to qualify for up to $8,000 under the TEACH Grant program. If such individuals pursue a bachelor's degree in early childhood development upon completion of their associate's degree, this section clarifies that those individuals can receive up to $8000 more under the program. This section amends the grant structure to authorize $8000 per year per individual in the junior and senior years of such individual's undergraduate program.

Sec. 4083—Revisions to teach grant agreements to serve and eligibility

This section authorizes early childhood education as an eligible high-need field and location for teachers to complete their four years of service under the TEACH Grant. An early childhood educator qualifies if they work at a location serving low-income communities that is in the same geographic location of a high-need LEA. This section includes an assurance that an applicant's loan servicer will notify the applicant when they are required to certify their service, including when they have failed to submit such certification. Further, this section clarifies the timeframe during which an applicant's grant is converted to a loan that must be repaid. This section allows for a TEACH grant recipient's service to still qualify if their LEA no longer meets the high-need definition, they change duties or assignments at their school, or their subject area no longer meets the high-need definition.

Sec. 4084—Revisions to teach grant data collection and reporting

This section requires the Secretary to make publicly available annual reports with aggregate student data on recipient outcomes, proportion of those whose TEACH grant is converted into loans and requires data to be disaggregated. This section requires the Secretary to provide reports at least once every three years to Congress on the utilization rates of TEACH grants, review of best practices associated with higher rates of completion of agreements, and recommendations to improve the program.

Subpart 8—Northern Mariana Islands and American Samoa College Access

Sec. 4091—Northern Mariana Islands and American Samoa College access

This section authorizes a grant program to increase access to four-year institutions for eligible students residing in the Northern Mariana Islands (CNMI) and American Samoa. Funding is provided to the Governors of CNMI and American Samoa to pay an eligible participating institution the difference between the tuition and fees charged for in-State and out-of-State students. The participating institution must enter into an agreement with the Governors and be a public four-year institution located in one of the fifty states, the District of Columbia, Puerto Rico, the United States Virgin Islands, or Guam. Eligible students are individuals who enroll in a participating four-year institution within three

years of graduating from a two-year college located in the CNMI or American Samoa.

This section authorizes $5 million for FY 2021 and each of the five succeeding fiscal years. The amount paid on behalf of an eligible student cannot exceed $15,000 during one award year and not more than $45,000 in the aggregate. If there is insufficient funding, the amount paid on behalf of the student can be ratably reduced. The Governors are authorized to prioritize the amount of tuition and fee payments based on the income and need of eligible students. A Governor cannot use more than 5 percent of the available funds to pay the administrative expenses of the program.

Each Governor must carry out the program in consultation with the Secretary and must develop policies and procedures to administer the program. Additionally, each Governor must submit an annual report to Congress detailing the number of participating students and their progress in completing a degree.

This section also requires that the Government Accountability Office (GAO) report on the effect of the program on educational opportunities for eligible students and any barriers to implementation.

Subpart 9—Student Access

Sec. 4092—Community College Student Success Grant program authorized

This section authorizes a competitive grant program to community colleges to plan and implement student success programs designed to increase the rates at which community college students either transfer or complete their programs of study within 150 percent of the normal time of completion.

This section authorizes a one-year competitive planning grant for community colleges to develop community college student success programs and gives priority to institutions eligible to receive funds under title III or title V of the HEA. Applications must be peer-reviewed by non-federal employees who have research or practical experience with community college student support programs.

This section authorizes a five-year competitive grant for community colleges to implement student success programs and limits eligibility for receipt of implementation grants to community colleges that received a planning grant authorized under this section. This section requires a non-federal match starting in the second year of the grant and requires institutions to contribute an increasing match between years two and five of the grant. TCCUs and colleges located in the U.S. territories are not required to match more than 5 percent of the cost to carry out the community college student success program for each year.

Community colleges must use funds to implement a community college student success program, regularly review student progress through data monitoring, and employ individuals specifically responsible for administering the student success program. This section also authorizes uses of funds including the creation or expansion of data tracking systems; provision of financial assistance to help cover the cost of textbooks, living expenses, and childcare; funds to cover financial gaps for summer courses; and establishment or expansion of career development and tutoring services.

Further, this section requires community colleges to submit annual reports to the Secretary on grant progress and requires a final report within a year after the grant concludes on the success or failure of the program; challenges faced and opportunities for improvement; and plans for program continuation.

This section requires the Institute of Education Sciences (IES) to contract with an independent evaluator prior to awarding implementation grants and mandates program evaluation of each individual community college student success program as well as the average impact, variation in program impacts, and cost effectiveness of student success programs on graduation and transfer rates compared to eligible institutions without such programs. The Secretary is required to notify eligible institutions of the availability of grants under this program and to provide technical assistance in developing sufficiently ambitious outcome goals and implementing community college student success programs. The Secretary is required to submit a report to Congress within one year of receiving the final evaluation results. This section prohibits grantees from using grant funds to carry out activities that would have been carried out in the absence of federal funds.

This section defines community college student success program as a program carried out by an eligible institution (i.e. a public two-year institution) that provides eligible students with additional support to meet unmet financial need. This section requires such students to meet with a program advisor twice monthly during the first semester and as directed in subsequent terms and participate in career advising events at least once per semester. For students referred to remedial education, this section requires such students to meet with tutors at least weekly.

This section requires grantees to actively offer students tutoring, career services, and program advisors who provide comprehensive advising, including help with the creation and implementation of an academic plan and academic goals. An eligible student is defined as a full-time community college student enrolled in an associate degree program and is either a first-time undergraduate or a transfer student with no more than 15 credits and a 2.0 minimum GPA. Eligible students must need no more than two remedial courses and have completed the Free Application for Federal Student Aid (FAFSA). This section authorizes $1 billion in FY 2021 to be available until expended for five succeeding fiscal years.

Sec. 4093. Federal Pell Bonus Program

This section authorizes and appropriates $500 million for FY 2021 and each succeeding fiscal year to reward institutions for enrolling low-income students and ensuring that such students succeed. Under this section, eligible institutions (i.e. public and private not-for-profit institutions with a Pell enrollment of at least 25 percent) will receive a bonus for every Pell recipient that earns a bachelor's degree within the normal time to completion. Funds authorized and appropriated under this section may be used by eligible institutions to expand access and success among low-income students, including through the provision of need-based financial aid and student supports.

Part B—Federal Family Education Loan Program

Sec. 4101—Termination of certain repayment plan options and opportunity to change repayment plans

This section allows borrowers with a loan under the Federal Family Education Loan (FFEL) program to discontinue repayment under their existing repayment plan and enter repayment in either the section 493C(f) income-based repayment (IBR) plan or section 493E fixed repayment plan authorized under Sec. 4630 and Sec. 4631 of this Act, respectively. In the case of a defaulted borrower whose loan is assigned to the Secretary, the Secretary may require the borrower to repay according to the section 439C(f) IBR plan.

Sec. 4102—Termination of interest capitalization for subsidized loans after certain periods

This section prohibits accrued interest on FFEL Subsidized Loans from capitalizing after periods of forbearance subsequent to enactment of this Act. This section requires lenders to inform borrowers that interest will not be capitalized at the end of forbearance.

Sec. 4103—Termination of interest capitalization for PLUS loans after certain periods

This section prohibits the accrued interest on FFEL and Federal Direct PLUS Loans (applicable to parent borrowers and graduate/professional student borrowers) from capitalizing at the end of forbearance and certain types of deferment (i.e. graduate fellowship deferment, rehabilitation training program deferment, unemployment deferment, economic hardship deferment, military service deferment, and post-active duty student deferment) subsequent to enactment of this Act.

Sec. 4104—Consolidation loans

This section allows borrowers who have already consolidated their loans to obtain a subsequent consolidation loan for the purpose of separating an existing Joint Consolidation Loan into two separate Direct Consolidation Loans (see Sec. 4302 of this Act for more information), Public Service Loan Forgiveness (PSLF), or entering repayment under the section 493C(f) IBR plan or section 493E fixed repayment plan authorized under Sec. 4630 and Sec. 4631 of this Act, respectively. This section also allows prohibits the accrued interest on consolidation loans from capitalizing at the end of forbearance and certain types of deferment (i.e. graduate fellowship deferment, rehabilitation training program deferment, unemployment deferment, economic hardship deferment, military service deferment, and post-active duty student deferment) subsequent to enactment of this Act.

Sec. 4105—Default reduction program

This section requires the Secretary to request any consumer reporting agency to which the Secretary reported the default of the loan to remove any adverse information relating to such loan from the borrower's credit history.

Sec. 4106—Termination of interest capitalization for unsubsidized loans after certain periods

This section exempts the accrued interest on unsubsidized FFEL loans from capitalizing at the end of all forbearance and certain types of deferment (i.e. graduate fellowship deferment, rehabilitation training program deferment, unemployment deferment, economic hardship deferment, military service deferment, and post-active duty student deferment) subsequent to enactment of this Act.

Sec. 4107—Disbursement of student loans

This section allows institutions with an aCDR (authorized under Sec. 4110 of this Act) below a specified threshold for each of the three most recent fiscal years to disburse loans (FFEL and Direct Loans) in a single installment for a period of enrollment. Further, this section makes additional conforming amendments related to use of aCDR.

Sec. 4108—Student loan contract and loan disclosures

This section requires that the master promissory note be referred to as a "student loan contract" for periods of enrollment subsequent to enactment of this Act. A borrower may only enter into a student loan contract after completing all annual loan counseling required under Sec. 4611 of this Act. The loan contract is only valid for one academic year. This section requires the Secretary to streamline the student loan disclosure requirements under the HEA.

Sec. 4109—Borrower advocate conforming amendments

This section makes conforming amendments to account for the use of "Borrower Advocate" in place of "Student Loan Ombudsman" (see Sec. 1031 of this Act).

Sec. 4110—Cohort default rates

This section prohibits the default management plans required of poorly performing institutions from including forbearance as a means of reducing cohort default rates.

This section improves the cohort default rate (CDR) metric by adjusting for the number of borrowers at an institution and the number of borrowers who are in long-term forbearance (18 months or longer). An institution's aCDR is defined in this section as the share of students in default within three years after entering repayment multiplied by the share of students enrolled at the institution who are borrowing a loan under part D of title IV of the HEA (i.e. direct loans including direct subsidized loans, direct unsubsidized loans, and direct PLUS loans). Borrowers who are in non-mandatory forbearance for between 18 and 36 months are not counted as having entered repayment until they cease to be in forbearance and otherwise meet the requirements for being in repayment, while borrowers in forbearance for 3 or more years shall be counted as being in default for the purpose of the aCDR calculation.

This section establishes multiple thresholds that require institutions to take measures to improve their aCDR. Institutions lose eligibility to participate in programs under title IV of the HEA if they have an aCDR of greater than 20 percent for three consecutive fiscal years. Institutions with an aCDR of 15 percent or higher for six

consecutive fiscal years lose eligibility unless the Secretary determines that the institution has made adequate progress in meeting accreditor standards for student achievement (see Sec. 4713 of this Act) during the six-year period. Institutions subject to loss of title IV funds based on the six-year threshold may request exceptions to maintain access to title IV for categories of educational programs defined at the credential level (e.g. bachelor's degrees, associate's degrees, and certificates) that have aCDRs below 15 percent. Institutions with an aCDR of 10 percent or higher for eight consecutive years lose eligibility unless the Secretary determines that the institution has made adequate progress in meeting accreditor standards for student achievement during the eight-year period.

This section makes conforming changes to provide for the orderly transition from the CDR metric to the aCDR. This transition is made after the Secretary has published final aCDR rates for at least three fiscal years. This section also provides for a transition period during which any covered institution with an aCDR of over 20 percent may request an exception to maintain title IV eligibility for a maximum of three years after the transition to the aCDR is made. Covered institutions include public institutions, HBCUs, and private nonprofit institutions with a low-income student enrollment of 45 percent or greater.

Institutions with a high aCDR can receive technical assistance and financial support from the Department to improve student outcomes. Only covered institutions with an aCDR of 10 to 15 percent are eligible for such assistance and support (see Sec. 4731 of this Act for details).

Sec. 4111—Automatic income monitoring procedures after a total and permanent disability discharge

This section requires the Secretary to establish and implement automatic income monitoring for borrowers who have experienced a total and permanent disability. The Secretary must provide the borrower with an opportunity to update the income information obtained before determining the borrower's continued eligibility for loan discharge. The Secretary must also allow a borrower to opt-out of the automatic income monitoring under this section.

Sec. 4112—Automatic closed school discharge

This section requires the Secretary to automatically discharge the loans of a borrower who was unable to complete a program due to the closure of the institution and has not enrolled in another institution two years after closure.

Sec. 4113—Repayment of parent loans due to student disability

This section requires the Secretary to discharge a parent's liability on a Federal PLUS loan if the student on whose behalf the parent received the loan becomes permanently and totally disabled or is unable to engage in any substantial gainful activity for at least 60 months due to medical impairment. Safeguards to prevent fraud and abuse applicable to total and permanent disability discharge for loans taken out by students apply to these provisions. This section authorizes the Secretary to promulgate regulations to reinstate the obligation of discharged loans in cases when reinstatement is determined to be necessary and appropriate.

Part C—Federal Work-Study Programs

Sec. 4201—Purpose; authorization of appropriations

This section authorizes $1.5 billion for FY 2021; $1.75 billion for FY 2022; $2 billion for FY 2023; $2.25 billion for FY 2024; and $2.5 billion for FY 2025 and each succeeding fiscal year for Federal Work Study (FWS). This section authorizes "work-based learning" as qualifying under Community Services and defines such term.

Sec. 4202—Allocation formula

This section authorizes use of up to $150 million for each fiscal year to award bonus payments of $5,000 or greater to private nonprofit and public institutions for enrolling and graduating high numbers of Pell Grant recipients. To qualify for the bonus fund, institutions must meet certain thresholds of Pell enrollment and completion. This section also directs the Secretary to make publicly available the list of institutions that receive awards from the bonus fund.

This section amends the FWS formula to allocate funds to institutions serving the neediest students and phases-in such amendments. During the phase in period each institution receives the greater of a declining percentage of its FY 2021 allocation or its fair share amount.Beginning in FY 2021 the formula changes to: 90 percent of the amount the institution received in FY 2020 or the fair share amount, whichever is greater. This reduction continues in FY 2022 through FY 2025. In FY 2026 and for each succeeding fiscal year, the institution's allocation is the fair share amount.

The allocation for FY 2026 and future years is based on the fair share amount for the institution, which is the sum of 100 percent of an institution's undergraduate need and 25 percent of the institution's graduate need. Under this formula, institutional undergraduate need is equal to 50 percent of the proportional amount of Pell grants awarded at the institution relative to Pell Grants awarded at all participating institutions, and 50 percent of the proportional amount of undergraduate need at the institution relative to institutional need at all participating institutions. Institutional graduate need is equal to the proportional amount of the institution's graduate need compared to graduate need at all participating FWS institutions. Undergraduate need is determined by taking such student's average cost of attendance at the participating institution and subtracting such student's EFC which cannot exceed such student's annual subsidized or unsubsidized loan limit. Graduate need is calculated in a similar way and cannot exceed the unsubsidized loan limit for graduate students. An institution is no longer eligible to participate if its student population has less than seven percent Pell Grant recipients for two or more fiscal years during a three-year fiscal year eligible or if the institution only serves graduate students, fewer than five percent have an EFC of zero for two out of three fiscal years.

Sec. 4203—Grants for Federal work-study programs

This section requires institutions to use at least seven percent of total funding to pay students employed in work-based learning positions and use at least three percent of total funding to compensate students with the lowest EFC employed in work-based

learning positions during qualified periods of non-enrollment, allowing for individuals to use FWS during the summer. It further allows FWS funds to be used for cooperative education programs in a part-time or full-time capacity that is no longer than six months. This section also requires institutions to provide funding for students' travel expenses if such travel is necessary to allow for participation in the program and requires alignment between a student's educational and career goals.

This section requires institutions to notify students participating in the FWS program of their potential eligibility for SNAP and to provide documentation of such students' participation in FWS for the purposes of qualifying for SNAP benefits. This section requires the Secretary, in consultation with the Secretary of Agriculture, to provide guidance to states and institutions on how to identify and communicate with students who are likely to be eligible for SNAP, including students participating in the FWS program.

Sec. 4204—Flexible use of funds

This section authorizes participating institutions to carry over 20 percent of program funds from on year to the next and allows students to continue to earn unearned portions of their work study award from the previous year if they are employed in a work-based learning position.

Sec. 4205—Job location and development programs

This section authorizes 20 percent or $150,000 for Job Location and Development Programs and requires institutions to locate and develop work-based learning opportunities and prioritize placing students with exceptional need and FWS recipients in such opportunities.

Sec. 4206—Community service

This section allows participating institutions to use up to 10 percent of funds an institution receives for administrative expenses for the operation of the community service-learning programs, including the work-based learning requirement. Funds must be used to assure the academic quality of the student experience and support a student's career goals.

Sec. 4207—Amendments to Work Colleges

This section adds a staggered date for new Work College applications, requires all applicants to have participated in the Federal Work Study program for at least two years prior to applying, and clarifies that only four-year programs are eligible to participate in the Work College program.

Sec. 4208—Pilot grant program

This section authorizes a $30 million pilot program to provide grants to eligible institutions to establish or expand a program to develop work-based learning positions targeted to students with exceptional need. The application must: identify high-demand occupations and develop partnerships with those employers; involve participating employers in the evaluation and improvement of the program; track and report academic and employment outcomes for participating students; and show the institution's ability to con-

tinue implementation when the grant term ends. Institutions must submit a report to the Department on the pilot program, which will include graduation and completion rates of participants, student satisfaction of the program, and the percentage of participants employed in high-demand occupations.

Sec. 4209—Department activities

This section requires the Secretary to develop a consumer-tested electronic survey for students awarded work-study employment and employers of students participating in work-study employment. The Secretary is required to implement such tool no later than one year after enactment of this Act and every four years.

Sec. 4210—Study and report

This section requires the GAO to conduct a study on best practices for assisting students participating in the FWS program.

Part D—Federal Direct Loan Program

Sec. 4301—Program authority

This section makes available to the Department mandatory funding to make newly authorized (1) loans under the Refinanced Direct Loan program, which would include refinanced FFEL Loans and Direct Loans under the new authority, and (2) loans under the Federal Direct Refinanced Private Loans program.

Sec. 4302—Amendments to terms and conditions of loans and repayment plans

This section makes changes to the Direct Loan program, including changes to:

- Provide graduate and professional students attending public and non-profit institutions with access to subsidized loans at the same interest rate available to these students for unsubsidized loans.
- Repeal origination fees on all loans subject to collection of such fees—Direct Subsidized and Unsubsidized Loans and Direct PLUS Loans.
- Require the Secretary to end new eligibility for all existing repayment plans and offer new borrowers either the section 493C(f) IBR plan or section 493E fixed repayment plan established under Sec. 4630 and Sec. 4631 of this Act, respectively. The Secretary must initiate an awareness campaign to inform borrowers of the new existing repayment plans. If the borrower does not select a plan, the Secretary may enroll the borrower in such fixed repayment plan. An existing borrower who is in repayment may choose to retain their repayment plan or elect to enter one of the two plans authorized by this Act. If the borrower elects one of such plans, they will retain any years of repayment in their prior repayment plan for purposes of forgiveness or cancellation.
- Authorize the Secretary to obtain income and family size information of a borrower (and the borrower's spouse, if applicable) who is 60 days delinquent. This section requires the Secretary to provide certain information to such borrowers (e.g. identification of the delinquent loans, monthly payment

amounts applicable to the borrower's loans under the newly created repayment plans, and clear instructions on how to select a repayment plan). A borrower has the option to opt-out of this process.

• Require the Secretary to place borrowers who are 120 days delinquent on a covered loan and not already enrolled in an IDR plan into the section 493C(f) IBR plan if the borrower's monthly payment is lower under the section 493C(f) IBR plan. Such borrower has the option to opt-out of this process and may elect to enroll in the section 493E fixed repayment plan.

• Authorize the Secretary to obtain income and family size information of a borrower (and the borrower's spouse, if applicable) who is rehabilitating a covered loan. Within 30 days of a borrower's sixth payment required for loan rehabilitation, the Secretary must notify the borrower that upon making the ninth (and final) required payment, the borrower will be placed in the section 493C(f) IBR plan. A borrower who is rehabilitating a defaulted loan may opt-out of this process.

• Require a borrower's prepayments to be applied first to such borrower's loan with the highest interest rate, unless such borrower requests otherwise for any borrower who has multiple loans with different interest rates. For a borrower who makes a prepayment on multiple loans with the same interest rate, the prepayment is applied first to the loan with the largest outstanding principal balance. Such requirements relating to the application of a borrower's prepayment apply to such borrower's loans that are held by the same entity and on which there are no outstanding fees or collection costs owed.

• Make a conforming amendment to authorize borrowers enrolled in the income contingent repayment (ICR) plan on the day before the date of enactment of this Act to enroll in the section 493E fixed repayment plan or the section 493C(f) IBR plan authorized by this Act.

• Provide for automatic annual recertification of a borrower's income (and their spouse, as applicable) and family size for borrowers enrolled in specified IDR plans, including the section 493C(f) IBR plan authorized by this Act. Borrowers may opt-out of such automatic recertification. Any such borrower must actively provide recertification information to the Secretary on an annual basis.

• Prohibit accrued interest from capitalizing after forbearance and specified types of deferment (i.e. graduate fellowship deferment, rehabilitation training program deferment, unemployment deferment, economic hardship deferment, military service deferment, and post-active duty student deferment) for Federal Direct PLUS loans, Federal Direct Unsubsidized Loans, and Federal Direct Consolidation Loans subsequent to enactment of this Act.

• Allow married borrowers or previously married borrowers who received a Joint Consolidation Loan (JCL) to apply to separate such loan into two Federal Direct Consolidation Loans. Each such loan is equal to either (1) the unpaid principal and accrued unpaid interest of the proportion of the JCL attributable to the loans initially borrowed by each individual or (2)a different proportion mutually agreed to by the borrowers. Bor-

rowers are eligible to receive a separate Consolidation Loan, irrespective of currently existing statutory restrictions on Consolidation Loan borrower eligibility. The two resulting Federal Direct Consolidation Loans have the same terms and conditions of the JCL. For purposes of PSLF, any qualifying payment made on the JCL during a period in which the individual borrower was employed in public service would be treated as if such payment was made on the newly separated Federal Direct Consolidation Loan and count toward forgiveness. Any payment made on the JCL under the standard repayment plan, graduated repayment plan, extended repayment plan, income-contingent, and IBR plan are treated as if such payment were made on the resulting Consolidation Loan. Individual borrowers seeking separation of an existing JCL must apply jointly. Individuals who suffered domestic violence or economic abuse may apply individually for separation of their JCL if they certify that they are unable to reasonably access the loan information of the other individual borrower.

- Repeal subsection (q) of section 455 of the HEA, which bars students from borrowing subsidized loans after being enrolled in their program for more than 150 percent of the length of their academic program commonly referred to as the Subsidized Usage Limit Applies or SULA.

Sec. 4303—Amendments to terms and conditions of public service loan forgiveness

This section makes conforming amendments to include payments made under the section 493C(f) IBR plan or section 493E fixed repayment plan established under Sec. 4630 and Sec. 4631 of this Act, respectively, as qualifying payments for forgiveness under this section.

This section repeals the requirement that a borrower be employed in a public service job at the time of forgiveness and requires the Department to provide forgiveness authorized under this section without further action by the borrower upon such borrower having satisfied eligibility requirements for such forgiveness.

This section requires the Department to consider payments made prior to a borrower's receipt of a Refinanced FFEL or Direct Loan during which time such borrower is employed in a qualifying public service job as qualifying payments for forgiveness under this section. Such payments are treated as a monthly payment on the portion of the refinanced loan attributable to such discharged loan. Payments made prior to a borrower's receipt of a Federal Direct Consolidation Loan during which time such borrower is employed in a qualifying public service job made on or after the date of enactment of this Act shall be considered as qualifying payments for forgiveness under this section. Such payments shall be made attributable to the portion of the Direct Consolidation Loan that the Consolidation Loan discharged. Special rules apply in cases of subsequent consolidation loans.

This section requires the Department to maintain an online portal that provides borrowers with a variety of information to help such borrowers determine eligibility for PSLF and how to submit any forms associated with the program. The portal must allow borrowers to electronically sign and submit any required forms. The

portal must allow a borrower to file a dispute and the Secretary must provide status updates on the claim at least once every 90 days. The Secretary must ensure that employers can electronically sign and submit any required forms. This section requires the Department (in consultation with the Commissioner of the IRS) to establish and regularly update a database listing qualifying public service jobs.

This section expands public service jobs to include part-time faculty at public and nonprofit institutions teaching no less than two courses and not working full-time anywhere else. Additionally, public service jobs will now the following include full-time jobs:

- as an employee or manager of a farm or ranch with fiscal year gross revenues greater than $35,000;
- at certain veterans or military service organizations that do not engage in partisan political campaign activity (must be an organization described in section 501(c)(19) and (23) of the Internal Revenue Code); and
- as a healthcare practitioner who provides medical services at a nonprofit or public hospital or healthcare facility and who is prohibited by state law from being employed directly by such hospital or healthcare facility.

This section repeals the prohibition on receiving a reduction of loan obligation for the same service under PSLF and loan forgiveness for teachers.

Sec. 4304—Federal Direct Perkins Loans terms and conditions

This section authorizes the Federal Direct Perkins Loan program to allow participating institutions to award 5 percent interest loans to undergraduate and graduate and professional students. Such authorization prohibits annual awards from exceeding $5,500 for undergraduate students and $8,000 for graduate and professional students.

Sec. 4305—Common manual for loan servicers

This section makes a conforming amendment to align with the requirement that the Department develop a common manual of standardized procedures and policies for entities that contract with the Secretary for the servicing and collecting of loans authorized by Sec. 4632 of this Act.

Sec. 4306—Refinancing FFEL and Federal Direct Loans

This section requires the Secretary to allow borrowers to refinance FFEL and Federal Direct Stafford Loan, Federal Direct Unsubsidized Stafford Loan, Federal Direct PLUS Loan, and Federal Direct Consolidation Loans to statutorily-specified interest rates. This section limits eligibility for such refinancing to FFEL loans disbursed no later than July 1, 2010 and all other eligible loans no later than July 1, 2020.

Interest rates for refinanced loans would be fixed for the life of the loan and are as follows:

- Where the original loan was a FFEL or Direct Loan program Subsidized or Unsubsidized Loan issued to an undergraduate student, the current rate applicable to Direct Subsidized and Unsubsidized Loans issued to undergraduate stu-

dents between July 1, 2019 and June 30, 2020 (i.e. 4.53 percent).

- Where the original loan was a FFEL or Direct Loan program Subsidized or Unsubsidized Loan issued to graduate/professional student, the current rate applicable to Direct Unsubsidized Loans issued to graduate/professional students between July 1, 2019 and June 30, 2020 (i.e. 6.08 percent).
- Where the original loan was a FFEL or Direct Loan program PLUS loan, the current rate applicable to Direct PLUS Loans issued between July 1, 2019 and June 30, 2020 (i.e. 7.08 percent).
- Where the original loan was a FFEL and Direct Loan program Consolidation Loan, the Secretary must calculate an interest rate according to the proportion of unpaid principal balance on each of the component loans. The refinanced interest rate must be the rate established for borrowers originating a loan between July 2017 and June 2018 or the original interest rate of the component loan, whichever is lowest. For component loans that are not FFEL or Direct Loan program loans (e.g. Health Education Assistance Loans program loans, Nursing Student Loans, National Defense Student Loans, etc.), the original interest rate of the component loan is applied in calculating the weighted average of the FFEL or Direct Loan program Consolidation Loan.

The refinanced loan carries the same terms and conditions as the original loan. Refinancing a loan under this section shall not extend the duration of the repayment period and the borrower shall retain the same repayment term. Borrowers shall have the authority to elect a different repayment plan at any time following such refinancing.

This section requires the Secretary to establish debt-to-income eligibility requirements in a way that considers access for borrowers with the greatest financial need.

This section requires the Secretary, in coordination with the CFPB, to initiate an awareness campaign to inform eligible borrowers of refinancing opportunities authorized under this Act. The Department is required to develop consumer information materials, which shall be provided to borrowers by servicers.

Sec. 4307—Refinancing private student loans

This section establishes a Federal Direct Refinanced Private Loan program, which allows eligible borrowers with qualified private loans disbursed before July 1, 2020 to refinance such loans through the Federal Direct Loan program. To be eligible for refinancing of private loans authorized by this section, loans must have been taken out to pay educational expenses at an institution participating in the Direct Loan program when the loans were first disbursed and must be current for six months prior to the application and in good standing. Furthermore, borrowers must undergo loan counseling before their loans are refinanced and must meet debt-to-income eligibility requirements and other criteria established by the Secretary.

The Federal Direct Refinanced Private Loan is issued in an amount equal to the unpaid principal, accrued interest, and late charges on the private education loans being refinanced. To dis-

charge the private education loans, the proceeds of the loans are paid to the private loan lender. Terms and conditions are the same as a Direct Unsubsidized Loan except as follows:

- Where the private education loans refinanced were for undergraduate study, the interest rate is the current rate applicable for Direct Subsidized and Unsubsidized Loans issued to undergraduate students between July 1, 2019 and June 30, 2020 (i.e. 4.53 percent).
- Where the private education loans refinanced were for graduate/professional study, the interest rate is the current rate applicable for Direct Unsubsidized Loans issued to graduate students between July 1, 2019 and June 30, 2020 (i.e. 6.08 percent).
- Where the private education loans refinanced were for undergraduate and graduate/professional study, the interest rate is the current rate applicable for Direct PLUS loans issued to graduate students between July 1, 2019 and June 30, 2020 (i.e. 7.08 percent).
- The amount of a Federal Direct Refinanced Private Loan shall not count against a borrower's annual or aggregate federal student loan limits.
- Refinanced private loans are ineligible for certain loan forgiveness (i.e. for service in areas of national need, loan repayment for civil legal assistance attorneys, teacher loan forgiveness, and PSLF).

This section requires private educational lenders to report data (e.g. total number of private education loan borrowers served and average interest rate on its outstanding private education portfolio) to the Secretary, Congress, the Secretary of the Treasury, and the Director of the CFPB. The Secretary, in coordination with the Secretary of the Treasury and Director of the CFPB, is required to initiate a campaign to alert private education loan borrowers of the opportunity to refinance eligible loans into a Federal Direct Refinanced Private Loan.

Part E—Federal Perkins Loan

Sec. 4401—Authorization of appropriations for Perkins loan

This section authorizes appropriations for the Federal Direct Perkins loan program.

Sec. 4402—Allocation of funds for Perkins loan

This section clarifies that the allocation formula of Perkins loans in effect prior to enactment of this Act shall be used for any year before FY 2021.

Sec. 4403—Federal Direct Perkins loan allocation

This section authorizes up to $2.4 billion in annual loan authority for the allocation of Federal Direct Perkins loans for award year 2021–2022 and each succeeding award year. The minimum allocation amount must be no less than the average of the institution's total Perkins loans from academic years 2011–2012 to 2015–2016. If this is the case, the Secretary will take steps to ensure an institution's minimum allocation by ratably reducing the amount of the loans to all participating institutions. Loan authority authorized by

the section shall be allocated to institutions using the formula authorized under Sec. 4202 of this Act.

Sec. 4404—Agreements with institutions of higher education for purposes of the Perkins loan program

This section stipulates requirements for agreements made between the Department and institutions participating in the Perkins loan program before and after July 1, 2021. This section repeals authority for the Department to use collections on defaulted loans to cover collection costs and repeals the authority for the Secretary to divide defaulted loan collections among other institutions. This section requires the Secretary to return a portion of funds from loan repayments to the institution and amends the authority for institutions to receive payments in lieu of reimbursement for expenses in servicing loans made before July 1, 2021. For loans made after July 1, 2021, the institution shall operate the program consistent with the requirements of the direct loan program unless otherwise specified and will lose eligibility to participate in the direct Perkins loan program if such institution has a high adjusted cohort default rate.

Sec. 4405—Student loan information by eligible institutions for purposes of the Perkins loan program

This section clarifies that disclosure requirements in place for Perkins loans on the day prior to the date of enactment of this Act shall be used for loans made before FY 2021.

Sec. 4406—Terms of loans for purposes of the Perkins loan program

This section maintains requirements in place for Perkins loans on the day prior to the date of enactment of this Act for Perkins loans made before July 1, 2021. For Perkins loans made on or after July 1, 2021, the loan agreements no longer require an institutional match from the institution.

Sec. 4407—Reimbursement for cancellation of Perkins loans for certain public service

This section amends the reimbursement for cancellation of Perkins loans under the program authorized through October 2017 to require the Department to repay each quarter. This section also allows institutions to deduct from their loan repayments owed to the Department, loan payments from loans the institution has retained for servicing.

Sec. 4408—Distribution of assets from student loan funds for purposes of the Perkins loan program

This section subtracts an institution's outstanding administrative costs, charges, and loan cancellation costs and short-term loan costs from the amount paid to the Department by the institution. This section authorizes a quarterly payment until all outstanding Perkins loans originated under the program authorized through October 2017 have been assigned to the Department.

Part F—Need Analysis

Sec. 4501—Amendments to family contribution

This section makes conforming amendments including by replacing the term "academic year" with the term "award year" as it relates to the calculation of EFC. This section extends the benefit for the dependents of police officers and active duty members of the military who are killed in the line of duty to the spouses of such individuals. Individuals who meet the qualifications of the section are deemed to have a zero EFC.

Sec. 4502—Amendments to data elements when determining the expected family contribution

This section makes specified data elements used to determine a student's EFC only applicable for FAFSA filers whose families were required to file lettered tax schedules (other than the schedule EIC or schedule R) for purposes of their income tax return or whose adjusted gross income exceeds $60,000.

Sec. 4503—Amendments to family contribution for dependent students

This section makes specified data elements used to determine a dependent student's EFC only applicable for FAFSA filers whose families were required to file lettered tax schedules (other than the schedule EIC or schedule R) for purposes of their income tax return or whose adjusted gross income exceeds $60,000.

This section eliminates statutory inconsistencies between academic year and award year by replacing the term "academic year" with the term "award year," where appropriate.

This section increases the income protection allowance for academic year 2021–2022 to $9,230 for a dependent student.

Sec. 4504—Amendments to family contribution for independent students without dependents other than a spouse

This section makes specified data elements used to determine the EFC for independent students without dependents other than a spouse only applicable for FAFSA filers who were required to file lettered tax schedules (other than the schedule EIC or schedule R) for purposes of their income tax return or whose adjusted gross income exceeds $60,000.

This section eliminates statutory inconsistencies between academic year and award year by replacing the term "academic year" with the term "award year," where appropriate.

This section increases the income protection allowance for academic year 2021–2022 and to $14,360 for single or separated students, or married students where both are enrolled and to $23,030 for married students where one is enrolled.

Sec. 4505—Amendments to family contribution for independent students with dependents other than a spouse

This section makes specified data elements used to determine the EFC for independent students with dependents other than a spouse only applicable for FAFSA filers who were required to file lettered tax schedules (other than the schedule EIC or schedule R) for pur-

poses of their income tax return or whose adjusted gross income exceeds $60,000.

This section eliminates statutory inconsistencies between academic year and award year by replacing the term "academic year" with the term "award year," where appropriate.

This section updates the table to increase the income protection allowance for independent students with dependents other than a spouse by 35 percent. The dollar amount varies based on family size and number of dependents in college.

Sec. 4506—Institutional calculations for off-campus room and board

This section requires the Secretary to prescribe at least one methodology that institutions must use in determining the cost of room and board for students living off campus for the purpose of calculating the projected cost of attendance.

Sec. 4507—Updated tables and amounts to need analysis

For each academic year after 2021–2022, this section directs the Secretary to publish in the Federal Register updated income protection allowance amounts and tables by increasing the 2021–2022 dollar amounts by a percentage equal to the estimated percentage increase in the Consumer Price Index, rounded to the nearest $10.

Sec. 4508—Zero expected family contribution

This section amends the criteria that qualify a FAFSA applicant for an automatic zero EFC determination, including by removing the income requirement for filers who received a means-tested federal benefit in the previous two years. Eligible means-tested federal benefit programs include the following: supplemental security income (SSI); SNAP; TANF; WIC; Medicaid; and any other program identified by the Secretary.

A student who did not benefit from a federal benefit program can qualify for an automatic zero EFC if they (or, in the case of a dependent student, their parents) had an adjusted gross income (AGI) of $37,000 or less and did not file a lettered tax schedule (other than the schedule EIC or schedule R). The section requires the Secretary to annually increase the AGI threshold by the estimated percentage change in the Consumer Price Index, rounded to the nearest $1,000.

This section removes the requirement that independent students have dependents in order to be eligible for an automatic zero EFC.

Sec. 4509—Amendments to definitions in need analysis

This section requires the Secretary to allow the use of income data from the previous year's tax return on the FAFSA.

This section removes specified data elements from the definition of "untaxed income and benefits" for the purposes of calculating EFC, including workman's compensation; veteran's benefits such as death pension, dependency, and indemnity compensation; and interest on tax-free bonds.

This section amends the definition of an independent student as it relates to foster and homeless youth and streamlines the processes for determining and verifying independent status for such youth, including by listing examples of documentation that shall be

considered adequate to verify independence by financial aid administrators and requiring that a determination of independence be made as quickly as practicable, and no later than the award year for which the student initially submits a FAFSA. Students who are determined to be independent for one award year are presumed to be independent for the subsequent year unless the student informs the institution that their circumstances have changed or the institution has specific conflicting information about the student's independence.

This section amends the definition of excludable income to explicitly include payments made through title IV part E of the Social Security Act to or on behalf of any child or youth over whom the State agency has responsibility for placement, care, or supervision. This includes the value of vouchers for education and training and amounts expended for room and board for youth who are not in foster care but are receiving services under section 477 of such Act (John H. Chaffee Foster Care Independence Program).

Part G—General Provisions Relating to Student Assistance Programs

Sec. 4601—Definition of eligible program

This section specifies loan eligibility requirements for certificate programs lasting 300 to 600 clock hours. This section establishes an earnings metric for eligibility that requires graduates to have earnings higher than students with only a high school diploma. This section requires such programs to prepare students for gainful employment in a recognized occupation. To maintain eligibility, such short-term certificate programs must meet a completion rate metric, the gainful employment metric established by the Secretary, and the newly created earnings metric each year. This section also requires the Secretary to collect and report data on these programs.

Sec. 4602—Definition of third party servicer

This section expands the definition of third party servicer to include any entity that contracts with an institution to recruit students.

Sec. 4603—FAFSA simplification

This section makes conforming amendments to section 483 of the HEA in accordance with the changes contained in this Act.

This section directs the Secretary to include a single, easily understood screening question on the FAFSA to determine if a student is homeless or self-supported and at risk of homelessness.

This section reduces the number of questions that an applicant must answer when completing their FAFSA by placing the applicant into one of three authorized pathways:

- Pathway 1: Applicants (or in the case of a dependent student, the student's parents) who benefited from a means-tested federal benefit program in the previous two years may automatically skip all financial questions and be deemed to have zero EFC, thereby maximizing their eligibility for federal aid. To verify the information, the Secretary is directed to enter into a Memorandum of Understanding with the Secretary of

Health and Human Services, the Secretary of Agriculture, and the Secretary of the Treasury to allow for the exchange of information needed to verify receipt of eligible federal benefits.

- Pathway 2: Applicants (or in the case of a dependent student, the student's parents) who did not participate in a means-tested federal benefit program in the previous two years, but have an adjusted gross income of less than $60,000 and do not have to file lettered tax schedules with their federal income tax (other than the schedule EIC or schedule R) shall complete a limited number of financial questions based on the changes made in Sec. 4502 of this Act. The Secretary is directed to use the data retrieval tool (DRT) to obtain necessary federal income tax information from the IRS.
- Pathway 3: All other applicants (those who file lettered tax schedules other than the EIC or R or who have an adjusted gross income of over $60,000) must complete the remainder of the financial questions in the FAFSA. The Secretary is directed to use the DRT to obtain necessary federal income tax information from the IRS.

This section requires Pell Grant recipients to file a FAFSA just once before going to college, instead of annually. In subsequent years, students will maintain the EFC amount that was calculated for that first year if their circumstances have not significantly changed. This section requires such an applicant to annually certify via a simple, consumer-tested form, that they have the same dependency status and indicate whether their need or eligibility for federal financial assistance has substantially changed. Applicants experiencing a change in dependency status or significant change in circumstances either will either re-file the FAFSA or receive a professional judgement determination from their financial aid administrator.

This section requires the Secretary to provide the FAFSA in both paper and electronic formats in at least 11 foreign languages based on the languages most often spoken by English learner students and their parents. This section also requires the FAFSA to be available in formats accessible to individuals with disabilities.

This section directs the Secretary to make every effort to allow all applicants to utilize the DRT to automatically populate the FAFSA with tax return information for an expedited process. This section requires the Secretary to examine whether IRS information can be used to generate an EFC without additional information being provided by the applicant. This section requires the Secretary to report on these simplification efforts at least once every other year.

This section directs the Secretary to annually publish data on the number of FAFSA applicants who are homeless, including unaccompanied youth and foster care children and youth, disaggregated by state and the source of the determination of homeless status. The Secretary will also report on the number of undetermined requests for homelessness consideration, including statuses that remain unknown because no determination has been made.

This section prohibits the Secretary from including any question about convictions related to the possession or sale of illegal drugs on the FAFSA.

This section requires the Secretary to annually report information about the number and percentage of Pell-eligible applicants who are asked to verify their income disaggregated by a number of characteristics, including whether applicants filed the FAFSA through Pathway 1, 2, or 3 as authorized by this section. The report must be submitted to Congress and made publicly available.

This section requires all title-IV participating institutions to use a financial aid offer that complies with federal requirements developed by the Department following consumer testing. This section enumerates a number of required elements that must be included in all aid offers and requires the Secretary to establish standardized terms, definitions, and formatting requirements. Each financial aid offer must include a standardized quick reference box with a maximum of eight elements including, at a minimum, cost of attendance, total grant aid, and net price.

Sec. 4604—Student eligibility

This section allows individuals who have temporary protected immigration status and qualifying undocumented individuals to be eligible for federal student aid and services provided under title IV of the HEA. Such undocumented individuals (defined as "Dreamers" in this Act) are those who were younger than 16 years of age on the date of U.S. arrival and earned a high school diploma (or its equivalent), enrolled at an institution without a high school diploma (or its equivalent) but meets the eligibility requirements under section 484(d) of the HEA, or served in the uniformed services for not less than four years. Individuals who would have been eligible under the Deferred Action for Parents of Americans and Lawful Permanent Residents (DAPA) program are also eligible for federal student aid and services. This section authorizes the Secretary to provide a waiver for the age requirement if the individual shows a hardship exception.

This section allows individuals who do not hold a high school diploma or the equivalent to be eligible for federal student aid and services provided under Title IV of the HEA if they demonstrate an ability to benefit by earning six credit hours toward a postsecondary degree. Such students must be enrolled in a degree program meeting specific requirements in order to qualify. Only students at public and private nonprofit institutions are eligible for Title IV aid under this expansion.

This section lifts the selective service registration requirement for federal student aid eligibility and repeals statutory language that limits eligibility for students who have a drug-related offense.

Sec. 4605—Reasonable collection costs on defaulted loans

This section places a cap on collection fees charged to defaulted borrowers. For purposes of the first collection effort, the collection cost cannot exceed five percent of the outstanding principal and interest on the defaulted loan. Subsequent collection efforts, cannot be more than five percentage points greater than the collection costs charged in the preceding collection effort. The maximum amount that can be charged is 20 percent of the outstanding balance of principal and interest.

Sec. 4606—Student eligibility information for nutrition assistance programs

This section requires institutions to provide students with the most recent relevant student eligibility guidance for SNAP and WIC, as well as the contact information for the State agency responsible for administering those programs and information on food pantries and other food assistance facilities and services available to students. This section requires the Department to make available and annually update the student eligibility guidance for SNAP and WIC on the College Navigator website.

Sec. 4607—Exit counseling

This section requires institutions to use an interactive program or the online counseling tool created by the Secretary for exit loan counseling provided pursuant to section 485(b) of the HEA. The section outlines additional information that must be included in exit counseling such as a summary of the borrower's outstanding loan balance, an explanation of the grace period prior to repayment, the expected date the borrower will enter repayment, and contact information for the loan servicers. The section makes conforming amendments.

Sec. 4608—Clery Act amendments

This section amends section 485(f) of the HEA, also known as the Clery Act. This section requires institutions to disclose campus policies regarding required background checks for employees and volunteers working with student athletes, children, or youth participating in university-sponsored programs held in campus facilities. This section also requires institutions to report on the number of incidents of hazing and harassment that are reported to campus security authorities or local police and establishes definitions for hazing, harassment (including sexual harassment), commercial mobile service, electronic communication, and electronic messaging. For the purposes of this reporting, harassment includes conduct undertaken in whole or in part through the use of electronic messaging services, commercial mobile services, and electronic communications.

This section requires institutions to report on each finding that a student organization has committed a violation of the anti-hazing policies of the institution. This section requires institutions to provide victims of campus sexual assault with information on institutional policies regarding the reimbursement of lost tuition and costs associated with student loan interest accrual. This section further requires institutions to develop and distribute a statement of policy regarding harassment, which shall include a prohibition on harassment, a description of the institution's programs to combat and prevent harassment, and a description of the procedures that the institution will follow when harassment incidents are reported. This section authorizes a civil penalty of $100,000 on an institution that has substantially misrepresented the number, location, or nature of the crimes required to be reported under the Clery Act per each such misrepresentation.

Sec. 4609—Online survey tool for campus safety

This section requires the Secretary to develop a standardized online survey tool regarding student experiences with domestic violence, dating violence, sexual assault, sexual harassment, and stalking. Such survey must reflect best practices and peer-reviewed research; be fair, unbiased, statistically valid and reliable; use trauma-informed language; and meet the highest standards of survey research. The section describes the elements that will be included in the survey to gather information on student experiences with dating violence, sexual assault, sexual harassment, and stalking, including questions regarding the prevalence of such incidents, whether victims reported the incidents or were referred to campus resources, relevant contextual factors, the impact of incidents on victims' education, the impact and effectiveness of prevention and awareness programs, and respondents' attitudes toward sexual violence and harassment, including the willingness of individuals to engage in bystander intervention.

This section requires institutions to administer such survey every two years. Institutions are authorized to add additional elements specific to their institutions and will be required to ensure, to the maximum extent practicable, that an adequate, random, and representative sample size of students complete the survey. The Secretary is prohibited from charging institutions from modifying the survey tool. This section directs the Secretary to prepare and publicly release a biennial report using the information gained from the standardized survey and requires that each institution publish the campus-level results of the survey on the website of the institution. Survey responses must be confidential and, when published in a report, shall not include personally identifiable information. Survey results shall not be included in the school's crime statistics.

Sec. 4610—Transfer of credit policies

This section requires institutions participating in title IV programs to provide information on transfer of credit policies to students including information on articulation agreements into which the institution, relevant deadlines, financial aid information, and staff contact information.

Sec. 4611—Amendments to institutional and financial assistance

This section repeals notice requirements related to the impact of drug offenses on title IV eligibility. The relevant penalties are repealed in Sec. 4604 of this Act.

This section requires institutions that participate in federal student aid to have a single point of contact to assist homeless foster care youth, including by connecting such students to support services, programs, financial aid, academic advising, housing, food, public benefits, healthcare, health insurance, mental health services, and mentoring. This section requires institutions to give homeless and foster youth priority for housing that is open on a year-round basis and to have a plan to help homeless and foster youth access housing during school breaks.

This section also requires institutions to provide annual loan counseling to borrowers in an interactive format either in-person or online. This section requires certain information that must be in-

cluded in counseling sessions, including information about various financial aid options including encouraging students to use grant aid first, interest rates on the loan, and how repayment works. This section requires borrowers to sign a student loan contract that affirmatively states the borrower accepts the loan. This section requires the Secretary to maintain an online counseling tool that institutions may use for exit counseling and annual loan counseling.

This section establishes requirements for institutions that request, receive, or exercise a religious exemption to the requirements of title IX of the Education Amendments of 1972. This section requires such institutions to submit a written statement identifying the provisions that conflict with a specific tenet of the religious organization to the Assistant Secretary for Civil Rights. Institutions are required to publish online, in a prominent location, the following: each request letter submitted to the Department to request a title IX exemption; each exemption letter from the Department that grants or denies a requested exemption; a notice indicating that the institution has requested an exemption; if applicable, a notice that the institution has received an exemption; a list of the personal characteristics, behaviors, activities, and programs to which each exemption applies; and a statement of rights specifying that students continue to have the rights under title IX of the Education Amendments of 1972 and providing contact information for the Department's Office for Civil Rights.

This section requires institutions to make information available to expectant and parenting students on how to take a leave of absence, how to take advantage of financial aid and support services (including emergency aid programs offered by the institution), and how to exercise rights and secure protections and accommodations under title IX of the Education Amendments of 1972, the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990. This section also requires institutions to inform expectant and parenting students of the rights and protections guaranteed under applicable federal and state laws.

Sec. 4612—Prevention of improper access

This section directs the Secretary when administering the National Student Loan System to prevent improper access to borrower information. This section also directs the Secretary to create a new form of third-party access, similar to the preparer function under the FAFSA for those applying to repay their loans on behalf of a student and their family.

Sec. 4613—Information with respect to crime statistics for programs of study abroad

This section requires institutions to develop and distribute a statement of policy regarding crime and harm that may occur during study abroad programs approved for credit by the institution. Institutions are required to, at a minimum, conduct a biennial review of study abroad programs to determine the effectiveness of the programs at protecting students from crime and harm and whether changes to the program are needed. Institutions must also report on the number of deaths, sexual assaults, accidents and illness that result in hospitalization, and incidents that result in police involvement that occur during the study abroad program. Such reporting

will include incidents that occurred during program participation (and, in the case of death, during any other activities during the period of study abroad) over the preceding five years.

Institutions are further required to provide each student who is interested in participating in a study abroad program with an orientation session and advising that includes travel warnings and alerts issued by the State Department and the crime and safety statistics collected for the relevant study abroad programs. Students returning from study abroad must be provided with a post-trip debriefing session and exit interview to inform the data collection required under this section.

Sec. 4614—Remedial education grants

This section authorizes a grant program to improve remedial education.

Eligible entities are required to provide an assurance they will use multiple measures to identify students in need of remedial education, rather than the traditional method of basing the placement into remedial education on one test. Eligible entities seeking funding must also describe how they will use evidence-based strategies to improve remedial education, how the new model will be sustained once the grant program concludes, and the plan for internal monitoring and evaluation.

The Secretary is required to contract and consult with an independent third-party evaluator in carrying out the remedial education grant program authorized by this section. Such evaluator will provide input on which entities should receive grants and conduct a rigorous evaluation of the effectiveness of remedial education programs funded under this section.

The section requires eligible entities to develop or improve remedial education programs based on one or more of five authorized models. The first model supports partnerships between institutions and local educational agencies or state educational agencies to align coursework between the high school and colleges and allows for early assessments to be implemented measuring a student's readiness for college. The second model requires eligible entities to redesign or improve course work that allows a student to complete in an accelerated time schedule. The third model, Modular Instructional Methods, allows the eligible entity to use or improve assessments that provide information based on specific skills needed to be ready for credit-bearing coursework. The eligible entity can then provide targeted skill instruction to students rather than requiring a student to take an entire course for specific skill deficits. The fourth model, co-requisite remediation, allows students to enroll in remedial education classes while also enrolling in credit-bearing coursework. The final model, systemic reform to implement comprehensive, integrated support programs, requires a system-wide restructuring of remedial education programs that help students find success in their remedial education course work and once in credit-bearing courses.

When making awards, the Secretary is required to consult with the Director of IES and must make at least 30 awards to eligible entities. Other considerations include geographic distribution, distribution of awards in rural and urban entities, and provision of awards to a range of institutional types and sizes. Applications that

primarily serve students who are low-income shall be given preference. The Secretary must also seek to distribute funds in such a way as to allow for statistical comparisons within and between each model.

This section clarifies that grant funds are meant to supplement not supplant any other funding provided for remedial education. Eligible entities are required to match funding up to 10 percent of the amount of the grant from non-federal sources. TCCUs and institutions located in the Commonwealth of Puerto Rico, Guam, American Samoa, United States Virgin Islands, Commonwealth of the Northern Mariana Islands, Republic of the Marshall Islands, Federated States of Micronesia, and Republic of Palau are exempt from such matching requirement.

This section provides eligible entities the option to voluntarily use an experimental authority granted to the Secretary to extend funding for students under title IV of the HEA to two years for non-credit bearing course work.

Grant recipients are required to provide student-level data sufficient to determine the number of students in remedial education programs, the type of remedial education courses students receive, the cost of courses, the amount of grant or loan funds awarded to students for enrollment in remedial education programs, the length of time students spend in remedial education, the number of students who complete the remedial education program, the number of students that enroll postsecondary-level courses after completing remedial education, the time it takes students to complete a credential, and the number and percentage of students who graduate from the institution within 150 percent of the normal time of completion. Data shall be disaggregated by race, gender, income, first-generation status, veteran or active duty status, and disability status.

Data reported by grant recipients shall be used by the third-party evaluator to conduct an independent evaluation of the impact of the remedial education programs funded under this section. The evaluation will address the effectiveness of remedial education programs in increasing course and degree completion and compare the effectiveness of the five models identified in this section. The Secretary is required to provide an initial report a year after the first award is distributed and a final report not later than five years after the last award is distributed. Both reports will be submitted to the authorizing committees and made available to the public.

This section specifies that it is unlawful for any person with access to personally identifiable information to share such information with any unauthorized person. Those in violation of this section will be fined or, in the case of federal employees, be dismissed. Sale of data is prohibited. The data cannot be shared with federal agencies not explicitly authorized and cannot be used for law enforcement activity.

This section defines eligible entity as an institution per the definition in section 101 of the HEA or as a partnership between an institution and a local educational agencies or state educational agencies. This section defines the term "remedial education" to mean below-college-level courses and training that provide the competencies necessary for a student to succeed in college level coursework. Remedial education may also be identified as develop-

mental education. Five other definitions relevant for this section are included.

This section authorizes $162.5 million for FY 2021 and each of the five succeeding fiscal years.

Sec. 4615—Competency-based education

This section authorizes the voluntary implementation of five-year competency-based education (CBE) demonstration project at institutions. The Secretary shall develop an application process to select eligible entities and will conduct outreach to HBCUs, TCCUs, and other MSIs, rural institutions, institutions predominantly serving adult learners and; and institutions serving students with disabilities.

Institutions applying to participate must include a description of the CBE program and information on the project's academic delivery, business, and financial model. Applying institutions must also explain how the CBE program will differ from standard credit hour programs, facilitate student achievement of competencies, evaluate assessments of student learning, align the competencies with workforce needs and career pathways. Additionally, applying institutions must explain how the CBE program will lead to strong earnings, job placement, and loan repayment rates, and result in lower costs or shorter time to degree or certification completion.

In the application, institutions must provide a proposal for determining a student's federal student aid eligibility and develop safeguards to ensure students are making satisfactory academic progress that warrants aid disbursement. Institutions must ensure that students participating in the program are eligible for the same amount of federal aid under a credit or clock hour program. Applying institutions must also identify the population of students who will be served under the project and disaggregate the data by certain student demographics. Other application requirements are outlined under this section.

To participate, institutions must meet financial responsibility standards. Additionally, entities seeking to be part of the demonstration project must ensure its accreditor will review and evaluate the program based on standards outlined under this section. Accrediting agencies must create standards for determining when to deny, withdraw, suspend, or terminate a program's accreditation. Additionally, participating institutions must enroll no more than 3,000 students. However, institutions that have been evaluated at least twice under this section may amend its application (with Secretarial approval) to expand CBE program enrollment to no more than 5,000 students.

The Secretary will select up to 100 eligible entities, prioritizing programs that are committed to program evaluation, have a history of compliance with federal higher education laws and regulations, and commit to working with the Secretary and Director of IES to evaluate the demonstration project. The Secretary will ensure selection of programs that represent a diverse group of eligible entities. The Secretary is prohibited from awarding grant funds to institutions with a high aCDR, under probation from the accrediting agency or the State, or under public investigation or facing a pending lawsuit from a State or federal agency.

The Secretary may waive or provide flexibility from certain statutory and regulatory requirements as listed under this section for participating institutions. Within nine months of the enactment of this Act, the Secretary must provide Congress and the public a list of the participating institutions and the specific statutory or regulatory waivers provided.

Participating institutions must provide student-level data to the Director of IES who will use the data to calculate information such as the average period of time between a student's enrollment and the first assessment of student knowledge of such student, the average time to completion, and a cohort's completion rate. The information must be disaggregated by student characteristics and demographics as outlined in this section. The Director of IES, in consultation with the Secretary, must annually evaluate each participating entity and submit an annual report to Congress detailing the evaluation results. To allow IES to rigorously compare the success of the CBE program, eligible entities must submit data on students in the demonstration program, students participating in a CBE program outside of the demonstration project, and other students attending the institution. This section outlines provisions on data privacy including penalties for individuals who knowingly disclose to any person personally identifiable information.

The Secretary must assure compliance of participating entities, provide technical assistance, monitor enrollment changes at eligible entities, work with accrediting agencies and State regulatory authorities on ways to improve CBE implementation, and share best practices with participating entities.

This section authorizes $5,000,000 to carry out the demonstration project.

The section defines the term "competency-based education" as a program that provides CBE which an institution's accreditor has established or will establish standards described in this Act and in accordance with certain standards outlined in this subsection. This section also defines "eligible entity" as an institution defined in section 102 of the HEA and may include dual or concurrent enrollment programs.

Sec. 4616—Competency-based education council

This section establishes a council to study CBE. The council is comprised of individuals appointed by the Secretary, the CFPB Director, and both the majority and minority leadership in the Senate and House. The Comptroller General will also appoint eight to 13 individuals such as experts in CBE, faculty members, administrators, CBE students, and representatives from accrediting agencies, state educational agencies, and business. This section details the administrative obligations of the council. The council is charged with conducting a study on the development of CBE programs. Based on the study and the annual evaluations described under Sec. 4615 of this Act, the council must develop recommendations related to defining CBE, the amount of learning in a competency unit, the transfer of competency units, the minimum amount of time in an academic year, considerations for accrediting agencies, the role of faculty in CBE programs, and additional resources that may be needed for adequate oversight of CBE. A final report containing the study's findings and the Council's recommendations

must be submitted to the Secretary and Congress no later than six years after the date of enactment of this Act.

Sec. 4617—Written arrangements to provide educational programs

This section establishes requirements for each institution that outsources of portion of its educational programs to a third-party provider. This section sets transparency and accountability requirements for institutions that partner with third-party providers and prohibits institutions from outsourcing both admissions and educational content to the same provider.

Sec. 4618—Improvements to program participation agreements

This section makes conforming changes to the program participation agreement requirements as it relates to the alcohol and substance misuse prevention program, aCDR, and postsecondary data collection. This section amends the program participation agreements by requiring institutions to provide students with access to housing for foster youth. The section amends the requirement that institutions distribute voter registration forms to require all institutions make a good faith effort to distribute such forms, regardless of the state in which the institution is located. This section modifies the "90/10 rule" to require for-profit institutions to receive at least 15 percent of their funding from non-federal sources and includes a phase-in for institutions to meet this new requirement starting July 1, 2022. This section modifies the program participation agreement to require institutions that enter into written arrangements with other entities to provide part of an educational program to comply with the requirements of section 486D of HEA, as amended by Sec. 4617 of this Act.

Sec. 4619—Compliance with the Civil Rights Act of 1964

This section requires each institution to designate at least one employee to coordinate compliance with title VI of the Civil Rights Act of 1964. Institutions are required to annually submit a report to the Secretary including all title VI complaints, to make such report publicly available on the institution's website, and to notify students and employees of the existence of such report, the name and contact information for the employee designated by the institution to coordinate title VI compliance, the title VI enforcement policies, and the procedure for reporting and investigating title IV complaints.

Sec. 4620—Submission of data with respect to students with disabilities

This section adds data regarding students with disabilities to IPEDS. New information includes: total number of students with disabilities enrolled, number of students accessing or receiving accommodations, percentage of students with disabilities of all undergraduate students, and the total number of undergraduate certificates or degrees awarded to students with disabilities.

Sec. 4621—Education program on hazing

This section requires institutions to provide students with an educational program on hazing, including information on hazing

awareness, hazing prevention, and the institution's policies on hazing.

Sec. 4622—Changes to program participation agreements to strengthen consumer protections

This section prohibits an institution from preventing a student (current or former) from accessing their transcripts, degree scrolls, or other certifications of coursework or educational attainments due to a student's default on the repayment of a federal student loan. This section prohibits institutions from requiring a student to agree to (or enforce) a limitation or restriction on the student to pursue a claim against the institution in court.

Sec. 4623—Misrepresentation and substantial misrepresentation defined

This section authorizes the Secretary to impose a civil penalty of $60,000 on an institution that violates any provision under title IV of the HEA or engages in substantial misrepresentation about its educational program, its financial charges, and the employability of its graduates per each such violation or misrepresentation. This section defines the terms "misleading," "misrepresentation," "statement," and "substantial misrepresentation."

Sec 4624—Revenue requirement

This section clarifies that if an institution is a holder or guarantor of a loan made to a student, only the payment made on the loan count as revenue under the formula. This section allows brick and mortar institutions providing training contracted with an independent third party entity before the date of enactment to count such revenue for up to 5 percent under the formula. This section aligns the formula with the new definition of federal education assistance funds.

Sec. 4625—Teach-out plans

This section requires that teach-out plans include procedures to maintain student contact information as well as ensure students have access to their transcripts aligning with requirements of Sec. 4701 of this Act.

Sec. 4626—Experimental programs

This section amends the Department's experimental sites as authorized under section 487A of the HEA. It combines two subsections (one authorizing a Quality Assurance Program and another authorizing regulatory improvement and streaming experiments) into a single experimental sites authorization focused on increasing student success.

The Secretary is authorized to continue experiments in effect on the date of enactment of this Act. However, experiments that have not been successful in increasing student success must be discontinued before the start of the award year following the enactment of this Act. This section maintains the waiver authority for the regulatory improvement and streamlining experiments subsection.

This section requires the Department to develop an evaluation plan and provide notice to Congress before carrying out an experiment under the new experimental sites program. The evaluation

plan must include a description of the methodology that will be used to evaluate the experiment and to disaggregate results by age, race, gender, disability status, veteran/military status, first-generation student status, and Pell recipient status. If practicable, evaluations must include a randomized control design and an assessment of differential impact of the experiment on different types of students. The evaluation plan must also provide a schedule for conducting the experiment, an estimate of the cost, and an estimate of the size of the study sample. The notice to Congress must be submitted at least 60 days before the start of the experiment and must include a description of the experiment and a list of the specific statutory and regulatory requirements that will be waived, among other items.

This section also sets duration limits for experimental sites. Experiments can last a maximum of four years after the first award year in which the experiment is active, except that the Secretary may extend an experiment for up to two additional years on a case-by-case basis.

This section provides a definition of success for the purposes of evaluating the results of experimental sites. Determinations of success under this section are based on whether, and to what extent, student outcomes improve as a direct result of the experiment; whether the experiment improves the delivery of services to, or otherwise benefits, students; and the extent to which the experiment reduces administrative burden without harming students.

This section additionally strengthens reporting and evaluation requirements for the experiments. Under this section, the Secretary must submit annual reports as outlined in this Act about each experiment. If the Secretary has deviated from the data collection methodology included in the experiment's evaluation plan, the Secretary must provide an explanation of the deviation and a description of the alternative methodology that will be used. The Secretary is also required to submit a final report, which must include a summary of the results (including disaggregated results), the conclusions reached regarding the experiment, recommendations for changes to relevant statutes and regulations, and an explanation of any regulatory changes the Secretary plans to make as a result of the experiment. All annual and final reports must be made available on the Department's website. Information collection requirements included under section 3507 of title 44 of the U.S. Code are waived for the purposes of this section.

Sec. 4627—Administrative expenses

This section removes references to Perkins Loans in the laws related to administrative expenses that are paid to institutions to offset the cost of the administration of Tile IV programs. Perkins Loans will no longer be used in the calculation of administrative expenses.

Sec. 4628—Criminal penalties for misuse of access devices

This section clarifies that it is a federal crime to access U.S. Department of Education information technology systems for fraud, commercial advantage, or private financial gain, and impose fines on scammers for violations of the law.

Sec. 4629—Regional meetings and negotiated rulemaking

This section establishes requirements for the Department's negotiated rulemaking process. It requires that rulemaking panels include representatives of students, borrowers, and consumers and negotiators that are broadly representative of constituencies in different sectors and geographic locations. This section also requires the Department to comply with reasonable requests for data from negotiators, to make issue papers and proposed regulations available to the public in a timely manner, to provide live and archived videos of negotiation sessions, and to make transcripts of negotiations available to the public.

Sec. 4630—Income-based repayment plan

This section authorizes the IBR plan under section 493C(f) of the HEA. Borrowers entering an IBR repayment plan after June 30, 2021 will only be able to select the section 493C(f) IBR plan. Borrowers already in repayment may retain their repayment plan or choose to leave their repayment plan and enter the section 493E fixed repayment plan established under Sec. 4631 of this Act or section 493C(f) IBR plan established under this section. Payments made under a current borrower's original repayment plan count toward repayment upon switching to the section 493E fixed repayment plan or section 493C(f) IBR plan. Borrowers who elect to leave their repayment plan will not be allowed to re-elect a repayment plan that is not the section 493E fixed repayment plan or section 493C(f) IBR plan.

The section 493C(f) IBR plan shares the same characteristics of the existing current law IBR plan with the following exceptions:

- The repayment amount is equal to 10 percent of the borrower's (and the borrower's spouse, if applicable) adjusted gross income that exceeds 250 percent of the poverty line that is applicable to the borrower's family size. The amount of income protected is reduced by 10 percentage points for each $1,000 by which the borrower's adjusted gross income exceeds $80,000 or by 10 percentage points for each $2,000 by which the borrower's and borrower's spouse adjusted gross income exceeds $160,000. Unless the borrower is separated from his or her spouse or is unable to reasonably access the income information of the spouse, the adjusted gross income of the borrower and the borrower's spouse would be used in the calculation.
- The maximum repayment term is 20 years, irrespective of the type of loan.
- A borrower is not required to have a partial financial hardship to elect and remain enrolled in the new IBR plan regardless of income level.
- A borrower's monthly payment may exceed the monthly repayment amount under a standard 10-year repayment plan or the section 493E fixed repayment plan.
- Unpaid accrued interest will not be capitalized when a borrower switches repayment plans or makes payments that are more than the amount under a standard repayment plan.

For Direct Consolidation Loans made on or after the date of enactment of this Act, monthly payments that had been made on such loans prior to consolidation are treated as a monthly payment

under this section 493C(f) IBR plan. However, if the borrower's consolidation is a subsequent Direct Consolidation Loan, payments made on underlying loans that had been included in the first Consolidation Loan shall not be treated as monthly payments under this section 493C(f) IBR plan.

For a borrower refinancing FFEL or Federal Direct loans, all monthly payments made for the original loan count toward the borrower's length of repayment. However, for Federal Direct Refinanced Private loans, monthly payments prior to the refinance do not count toward the length of repayment. For such loans, only payments made after the date of the refinance count toward the 20 years of repayment under this section 493C(f) IBR plan.

This section requires the Secretary to develop and implement a process (including verification) that allows borrowers to enter the section 493C(f) IBR plan through written, electronic, or verbal notice to the Secretary.

Sec. 4631—Fixed repayment plan

This section authorizes a fixed repayment under section 493E of the HEA. Borrowers entering repayment after June 30, 2021 will only be able to select the fixed repayment plan or the section 493C(f) IBR plan.

Under the section 493E fixed repayment plan, a borrower makes payments in fixed amounts over a repayment period that is indexed to the outstanding balance of principal and interest on the borrower's loan as of the day prior to entering repayment. Borrowers have the option of having their loans amortized over a shorter period if desired. Under the section 493E fixed repayment plan, borrowers with a balance that is—

- equal to or less than $20,000 pay a fixed monthly amount over 10 years;
- greater than $20,000 but less than $30,000 pay a fixed monthly amount over 15 years;
- equal to or greater than $30,000 but less than $40,000 pay a fixed monthly amount over 20 years; and
- equal to or greater than $40,000 pay a fixed monthly amount over 25 years.

For Direct Consolidation Loans made on or after the date of enactment of this Act, monthly payments that had been made on the loans prior to consolidation would be treated as a monthly payment under this section 493E fixed repayment plan. However, if the borrower's consolidation is a subsequent Direct Consolidation Loan, payments made on underlying loans that had been included in the first Consolidation Loan would not be treated as monthly payments under this section 493E fixed repayment plan.

Sec. 4632—Requiring a common manual for loan servicers

This section requires the Secretary to develop a manual of common procedures and policies for entities with which it contracts for the origination, servicing, and collection of loans (e.g. servicers). The purpose of the manual is to standardize and ensure consistency across loans servicers and ensure minimum standards of practice. The Secretary is required to update the manual as frequently as necessary, but not less than every five years.

Sec. 4633—Removal of record of default

This section specifies that upon repaying a defaulted loan made under title IV (including FFEL, Direct Loan, Perkins Loan, and Direct PLUS Loan) in full, the holder of the loan shall request that consumer reporting agencies remove all adverse credit history, including default, from the borrower's credit history. This section also requires the holder of the loan to contact the consumer reporting agency when a borrower requests removal of adverse information from their credit history for having cured their defaulted loan by paying the loan amount in full prior to the enactment of this Act.

Sec. 4634—Amendments to terms and conditions of borrower defenses

This section specifies that students are entitled to relief on their federal student loans under title IV of the HEA in cases of substantial misrepresentation or an act or omission that would give rise to a cause of action against the school under State law. The Secretary must specify through regulation other acts or omissions that are also applicable as a defense to repayment of a federal student loan. This section requires the Secretary to decide on a borrower defense claim based on all evidence available and sets the evidentiary standard of proof as "preponderance of evidence."

Further, this section requires the Secretary to establish procedures for the fair and expeditious resolution of borrower defense claims. The Secretary must specify a fixed timeframe for the resolution of claims that is no longer than 12 months from when a claim was filed. Further, this section requires the Secretary to resolve pending claims that were submitted prior to enactment of this Act within 12 months of enactment.

This section also requires the Secretary to review a borrower defense claim at any time without regard to the repayment status of the borrower's loan(s) that are subject to such claim. This section also requires the Secretary to process claims for groups of similarly-affected borrowers. Borrowers with pending claims will have their loans placed in deferment and adverse credit reporting and collection suspended. Borrowers may opt-out of the deferment.

The borrower is entitled to full relief (i.e. cancelation of all outstanding debt and return of prior payments) when the claim is based on substantial misrepresentation. If the Secretary determines that a borrower is entitled to relief based on a claim other than substantial misrepresentation, this section establishes a presumption of full relief. If, in a particular case, the Secretary determines that full relief is not appropriate, the Secretary must provide the borrower with a written explanation as to why partial cancellation is appropriate. The Secretary must develop and implement an appeals process. Borrowers may refile a denied claim for good cause. Borrowers with a pending claim must be notified at least every 90 days with a status update.

This section requires the Secretary to designate Department personnel to process borrower defense claims. The Secretary must produce publicly available quarterly reports on the status of borrower defense claims.

This section repeals subsection (h) of section 455 of the HEA, which limited borrower defense claims to Direct Loans.

Sec. 4635—On-time repayment rates

This section creates an on-time repayment rate metric for institutional accountability. Institutions that have at least 20 percent of their students participating in federal student loan programs are subject to this provision. For each participating institution, an on-time repayment rate is calculated as the percentage of students who have paid at least 90 percent of their monthly payments over three years of repayment. Students with a zero balance or in certain types of forbearance and deferments (including educational, military, teacher, and national service) are considered paid. The Secretary shall determine the threshold on-time repayment rate(s) and time period(s) for which such thresholds apply.

Institutions failing the on-time repayment rate threshold must demonstrate a commitment to investing in students to avoid loss of title IV. Institutions that spend at least 1/3 of their revenue from tuition and fees on instruction in each of the previous three years avoid loss of Title IV but must create and implement a repayment management plan. Institutions failing the on-time repayment rate threshold and spending less than 1/3 of their tuition and fee revenue on instruction in any of the previous three years are subject to loss of Title IV.

Institutions subject to title IV loss based on on-time repayment and instructional spending may request exceptions to maintain access to title IV for categories of educational programs defined at the credential level (e.g. certificates, associate's degrees, and bachelor's degrees) that pass on-time repayment thresholds. Institutions may appeal if their expenditures on certain types of student support services and instruction together account for more than 50 percent of their tuition and fee revenue. Appeals may also be based on inaccurate repayment data, improper loan servicing, or exceptional mitigating circumstances.

This section also requires the Secretary to publish annual reports listing on-time repayment rates and instructional spending metrics for each institution.

Part H —Program Integrity

Subpart 1—State Role Sec.

Sec. 4701—State responsibilities

This section requires states to certify to the Department that each institution located in the state or seeking authorization to operate in the state meets the applicable state standards in the following categories: facilities, equipment, and supplies; program length state licensure requirements. This section requires states to accept student complaints from all students in the state as well as residents pursuing distance education outside of the state. It also requires states to manage, compile, and distribute data on student complaints to the appropriate entity. This section requires states to have the following procedures in place to protect the interests of students in the event of institutional closure: maintenance of sufficient cash reserves in the form of a State Tuition Recovery Fund or equivalent alternative; a mechanism to maintain student contact information and to ensure students have access to their transcripts;

and a process for addressing individual campus closures of national chains.

Subpart 2—Accrediting Agency Recognition

Sec. 4711—Accrediting agency recognition of eligible job training programs

This section establishes requirements for accreditors that oversee institutions participating in the job training Pell Grant program authorized in Sec. 4013 of this Act. Such accreditors must establish a process for determining whether the job training program provides training aligned with the requirements of employers. They must further require that job training programs demonstrate that the program has identified each recognized postsecondary credential offered and the corresponding industry or sector partnership that recognizes each credential. Accreditors must also require a demonstration that the program provides the academic content and instructional time necessary to meet the hiring requirements of employers and to satisfy applicable prerequisites for relevant licensure and certification exams.

Sec. 4712—Accrediting agency recognition of institutions enrolling incarcerated individuals

This section establishes requirements for accreditors that oversee institutions receiving Pell Grants on behalf of incarcerated students as authorized under Sec. 4016 of this Act. Such accreditors must establish a process for determining whether institutions have the capability to effectively offer a course of study to incarcerated individuals. They must further require institutions receiving Pell Grants on behalf of incarcerated students to demonstrate that the courses of study available to incarcerated students are taught by faculty with experience and credentials comparable to those of faculty who teach courses available to non-incarcerated students; that academic credits awarded to incarcerated students are treated the same as those earned by non-incarcerated students; and that such institutions have the capacity, staffing, and expertise to provide incarcerated individuals with the support and advising necessary to select and successfully participate in a course of study and, to the extent practicable, with support upon reentry.

Sec. 4713—Requirements for accrediting agency recognition

This section directs the Secretary to establish a working group to create a common glossary of measures that accrediting agencies may use to assess three outcomes: 1) completion, 2) progress toward completion, and 3) workforce participation. Such glossary shall provide accrediting agencies with enough flexibility for adequate assessment of each outcome and may include measures from IPEDS, the postsecondary data system established under Sec. 1022 of this Act, or a successor system. The working group must be comprised of accrediting agencies, institutional representatives, the Commissioner of the NCES or a representative, and student advocate representatives familiar with the accreditation process. This section clarifies that accrediting agencies may use measures not included in the glossary and that the glossary shall not include per-

formance benchmarks for the use or application of measures included in the glossary.

Additionally, this section directs the Secretary to initiate a negotiated rulemaking to develop procedures for identifying representative member institutions an accrediting agency must use to demonstrate to the Secretary that the agency consistently applies and enforces standards and effectively evaluates the quality of education or training offered by the institutions it accredits. The negotiated rulemaking must also establish definitions for terms to describe actions taken by an accrediting agency with respect to an institution and establish notice and disclosure requirements for such terms.

Further, this section requires student achievement to be assessed for completion, progress toward completion, and workforce participation. Accreditors may use measures from the glossary created by the working group and may use different measures for different institutions. Accrediting agencies must establish a single performance benchmark for each measure used. An accrediting agency may establish a different performance benchmark for each credential level. Accreditors may consider the historical significance of the institution and whether the institution is in an educational dessert when assessing whether the institution meets the student achievement standards.

To facilitate institutional improvement, accreditors must establish standards on student achievement outcomes disaggregated by certain student subgroups, as long as the data yield statistically reliable information that do not reveal personally identifiable information. This section specifies that curricula standards must assess program length, course sequencing, and objectives related to credentialing. Accreditors must have standards regarding the value of credentials (including non-monetary value); faculty; student support services; recruiting and admission practices, academic calendars, catalogues, publications, and grading; and fiscal and administrative capacity. This section repeals requirements that accrediting agencies have standards related to facilities, equipment, and supplies; record of student complaints; and record of institutional compliance with its program responsibilities under title IV of the HEA based on student loan default rate data, the results of financial or compliance audits, program reviews, and any such other information as the Secretary may provide to the agency or association.

This section requires the accrediting agency to make certain information available on a publicly accessible website. Information includes the performance benchmark established for each measure used to determine success with regard to student achievement as established under this section, the rationale for such performance benchmark, and how such performance benchmarks are factored into the accreditation process. Accrediting agencies must also specify the process used when an institution fails to meet an accreditation standard established by the agency. Any institutional sanction or adverse action taken by the accreditor must also be included on the website.

This section increases transparency of accreditor actions. Including by reducing the number of days an accreditor has to notify the Secretary and the State about any adverse action (e.g. final denial,

withdrawal, and probation) to 10 days. This section requires accrediting agencies to ensure that any substantive change to an institution's educational mission or program does not adversely affect the institution's capacity to meet the accrediting standards. In order to change an institution's scope of accreditation or preaccreditation, the institution must obtain approval for any substantive change.

This section amends the restrictions on who may serve on the board of an accrediting agency to include individuals who exercise substantial control over an institution that is in trouble with the Department as specified under this section (e.g. an institution that is on Heightened Cash Monitoring 2 or an institution against which the Secretary is initiating or carrying out an emergency action). This section also increases the number of public members that must serve on an accreditor's board from one for each six members (14 percent) to one for each four members (20 percent). This section requires that the public member be selected to serve on the board in the same manner that other board members are selected for such service. This section prohibits the public member from having previously served on the board as a non-public member in the preceding 10 years and from being an owner, shareholder, consultant, or full-time employee of an institution that is accredited by that accrediting agency. This section further codifies certain regulatory requirements related to serving as a public member.

This section requires accrediting agencies to ensure peer reviewers are well-trained and knowledgeable about the history and mission of the institution being reviewed. This section requires accrediting agencies to monitor institutions that are experiencing significant enrollment decline. This section requires an accrediting agency to mandate a teach-out plan and an agreement upon the occurrence of certain events as outlined under this section. This section also requires an accrediting agency to respond within 30 days to complaints received with respect to an institution and submit relevant complaints to the Secretary and the State that authorizes such institution.

Furthermore, nothing in this section prohibits the Secretary from implementing a different recognition process for accrediting agencies that accredit institutions or programs for the purpose of participating in other programs outside of title IV of HEA (including programs outside of the Department).

For purposes of evaluating an accrediting agency's recognition, the Secretary must make the accrediting agency's application public upon publishing the agency's solicitation for third-party information. In the case where a Department official (other than the Secretary) makes a decision on the recognition of an accrediting agency that differs from NACIQI's recommendation, the official must submit the rationale and evidence for such decision to Congress.

Each fiscal year, the Secretary must submit to Congress information about each accrediting agency reviewed during the preceding fiscal year, NACIQI's recommendation about whether to recognize each accrediting agency, and the Department's decision regarding each agency.

This section also requires the Secretary to direct NACIQI to regularly evaluate the effectiveness of the measures selected and the performance benchmarks established by accrediting agencies. NACIQI must account for similarly situated accreditors, which cannot be determined solely by the educational sector of the institutions accredited by the agency. If the Secretary determines that an accreditor's performance benchmark is too low, this section authorizes the Secretary to require an accreditor to review and revise such performance benchmark. This section also includes a rule of construction to clarify that the Secretary cannot specify the specific performance benchmark that the accreditor must use.

Within six months of enactment of this Act, the Secretary shall publish an annual report on accrediting agencies including information specified in this section.

This section also states that nothing in this section shall be construed to prohibit an institution from seeking accreditation, in a manner consistent with certain requirements in the section, from an accreditor that accredits a branch campus of such institution in the State in which the institution is located.

Subpart 3—Program Review and Data

Sec. 4721—Eligibility and certification procedures

This section enumerates automatic, mandatory and discretionary events that could affect the financial health of a private nonprofit and proprietary institution.

Automatic triggering events that result in a failure of the financial responsibility requirements include: the institution must submit a teach-out plan if the Secretary takes an action to limit that institution's participation in title IV or takes an emergency action against the institution; the institution is at risk of failing the aCDR under Sec. 4110 of this Act; and the institution has more pending or approved borrower relief clams that equals or exceeds the number of full-time enrolled students for the previous year. For proprietary intuitions, additional automatic events include: an action from the Securities and Exchange Commission for publicly traded institutions; failing 85/15; and if shareholder equity is reduced after an institution fails to meet the financial responsibility standards.

Mandatory triggering events require an institution to submit to the Secretary updated financial information if the following events happen: the institution is required to pay a large debt or incur a large liability resulting from a final judgement or administrative proceeding; the institution is involved in a lawsuit for financial relief claims for federal loans; and if the Secretary determines that an institution has programs that are at risk of noncompliance with the statutory requirement for gainful employment.

Discretionary events authorize the Secretary to request additional financial information from the institution if the Secretary determines that the Department is likely to receive a large number of borrower relief claims from the result of a lawsuit, settlement or judgement against the institution; the institution experiences significant fluctuation in enrollment; the institution received a citation from its accreditor or state authorizing agency; the institution

saw high annual dropout rates; or the institution has pending borrower relief claims.

This section requires an institution to submit additional financial information to the Secretary upon subsequent change of such institution's financial circumstances changes again and requires financial information submitted under this section to be publicly available. This section requires the IG to conduct audits every two years to ensure the financial responsibility standards are aligned with accepted accounting requirements. This section also allows institutions that have a rating of investment grade or above from a recognized credit agency to meet the requirements of this section. This section adds receivership to the list of conditions under a change in ownership that requires an institution to demonstrate compliance with requirements to participate in title IV. This section requires a negotiated rulemaking to update the criteria used in the composite score to determine whether an institution meets statutory financial responsibility requirements.

Sec. 4722—Program review and data

This section makes conforming amendments to prioritize program reviews of institutions with an aCDR over 18 percent and institutions in the highest quartile of aCDRs. Such amendments are necessary to transition to use of aCDR as required by this Act.

This section authorizes the Secretary to conduct undercover and secret shopper operations to encourage the ethical treatment of students and detect fraud and abuse by an institution including misrepresentation of educational programs to students, enforcement of the incentive compensation ban, and admissions and recruitment activity. This section requires the Secretary to develop written guidelines for such activities in accordance with commonly accepted federal practices and requires the Secretary to report the results of such activities to Congress and to make such reports publicly available.

Subpart 4—Strengthening Institutional Quality

Sec. 4731—Strengthening institutional quality

This section allows institutions with a high aCDR to receive technical assistance and financial support from the Department to improve student outcomes. Only public institutions, HBCUs, and private nonprofit institutions with a low-income student enrollment of 45 percent or greater are eligible for such technical assistance and financial support. This section authorizes such assistance and support for between one and three years per eligible institution, with length of support determined by such institution's progress based on accreditor-set student achievement standards. Institutions that fail to reach an aCDR of less than 10 percent by the end of three years lose eligibility to receive further improvement funds, as do institutions where the share of low-income students declines by more than 10 percent. The Secretary is directed to develop a formula for distributing improvement funds. This section authorizes and appropriates $100 million for such technical assistance and financial support for FY 2021 and each succeeding fiscal year.

This section limits marketing expenditures for institutions that spend little on instruction. It requires the Secretary to separately

define expenditures on marketing, recruitment, advertising, lobbying, and student services for annual reporting by institutions in IPEDS. If an institution spends less than 1/3 of its revenue from tuition and fees on instruction in any of the three most recent fiscal years, such institution is subject to the marketing limitation. For any such institution, if total expenditures on marketing, recruitment, advertising, and lobbying exceed the amount of revenue the institution receives from sources other than federal financial aid (including the GI bill) for two consecutive years, the institution loses access to title IV for at least two years.

The Secretary is required to publicly disclose a list of institutions that have failed to meet accreditation requirements or title IV requirements, as well as a list of institutions that are in progress period status and receiving improvement funds under this section. Institutions are required to disclose accreditation status and keep such disclosures up to date within 30 days of a change of status. The Secretary is directed to develop a disclosure template that institutions must use.

Part I—America's College Promise Federal-State Partnership

Sec. 4801—Program authorized

This section authorizes the Secretary to make grants to states and Indian tribes ("grantees") to waive tuition and fees at participating community colleges for eligible students. This section authorizes the Secretary to devise a formula where the federal government will contribute at least 75 percent of total costs. The formula will also account for the grantee's share of eligible students, per-student funding levels at public colleges, and the average net price charged to low-income students at public four-year colleges.

This section outlines the conditions grantees must meet to be eligible for a grant—namely, waiving tuition and fees on a first dollar basis for eligible students at community colleges—and outlines the required contents of applications for funds. Applications must include: an estimate of the number of students who will be served by the grant; a description of evidence-based institutional reforms community colleges will undertake to improve student outcomes; and a description of how the grantee will ensure that programs provided that lead to a postsecondary credential are high-quality. Applicants must also provide an assurance that all participating community colleges have entered into a program participation agreement with the Department of Education; an assurance that the state or tribe will assist eligible students in obtaining information about and accessing means-tested Federal benefit programs like SNAP and WIC; and, in the case of state applicants, an assurance that the state will consider changes to state law to make more community college students eligible for such benefits.

In addition to waiving tuition and fees for eligible students, states receiving a grant under this section must promote alignment between their secondary, two-year, and four-year postsecondary education systems. States are required to submit a plan to align the requirements for receiving a regular high school diploma from public high schools in the state with the requirements for entering credit-bearing coursework at participating community colleges in the state. States are further required to submit a plan to improve

postsecondary transfer pathways, including by ensuring that associate degrees awarded by public institutions in the State are fully transferable to, and credited as, the first two years of related baccalaureate programs at public institutions of higher education. States are required to certify that they have achieved both types of alignment within three years of receiving a grant under this section. States that fail to achieve alignment in that time frame are required to provide a written explanation for that failure and a plan to come into compliance within the following two years.

This section outlines additional allowable uses available to grantees that have waived community college tuition and fees for all participating eligible students. Allowable uses include enhancing the quality of public higher education, expanding the scope and capacity of community college programs, improving postsecondary readiness, expanding dual enrollment opportunities, and improving affordability at four-year colleges. It additionally requires that states maintain their financial support for higher education in order to receive their full allotment of funds. The maintenance of effort provision applies to per-student funding at public institutions, funding for operational expenses at four-year public institutions, and funding for state need-based aid programs. This section specifies that funds made available under the America's College Promise partnership must be used to supplement, and not supplant, funds that would otherwise be expended by grantees. This section includes reporting requirements.

This section defines key terms, including eligible student, which is defined as any student enrolled in a title IV-eligible program at a community college on at least a half-time basis who maintains satisfactory academic progress and qualifies for in-state tuition. Students who would qualify for in-state tuition but for their immigration status are also eligible. Students lose eligibility three calendar years after first receiving a benefit under this subpart. This section authorizes and appropriates $1.57 billion for FY 2021 and authorizes and appropriates increasing amounts for each succeeding fiscal year, with such authorization and appropriation equaling $16.3 billion in FY 2030.

Sec. 4802—Student Success Fund

This section authorizes a student success fund to ensure that public institutions, including public two-year and public four-year institutions, in states and tribes participating in the America's College Promise partnership have the resources they need to serve students well. States that receive a grant pursuant to Sec. 4801 of this Act are eligible to receive an additional allocation based on the formula included in such section. Grantees are required to provide an increasing amount of matching funding the longer they participate in the student success fund, starting at an amount equal to 25 percent of the federal allocation in years one through four and increasing steadily to a maximum of 100 percent in year nine and beyond. Indian tribes serving large shares of low-income students may request a waiver from the matching requirements.

This section enumerates application requirements for eligible entities seeking funds through the student success fund. Grantees must provide a plan for using funds provided under this section, including a description of how the grantee will use such funds to sup-

port the adoption and expansion of evidence-based reforms and practices to advance student success. Grantees are also required to identify annual implementation benchmarks for the adoption of such reforms and practices, as well as the improvements in graduation and transfer rates that the grantee anticipates. Such implementation benchmarks and anticipated outcome improvements are subsequently used to track progress in reports that are submitted by grantees every two years. Progress reports must also include updated plans for the use of student success funds for the subsequent two-year period.

States utilizing the student success fund are required to identify gaps in per-student spending and academic achievement and to prioritize spending on underfunded institutions that serve disproportionate shares of low-income students, students of color, students with disabilities and students in need of remediation. Grantees may use up to ten percent of program funds for administrative purposes.

The Secretary may approve or require changes to the initial applications and renewal plans submitted by grantees. The Secretary is also required to make all final plans publicly available on the Department's website.

This section authorizes and appropriates $500 million in FY 2021 and each of the succeeding fiscal years.

Sec. 4803—Pathways to student success for Historically Black Colleges and Universities, Tribal Colleges and Universities, and Minority-Serving Institutions

This section authorizes grants to eligible four-year HBCUs based on actual tuition and fees. The per-student amount granted will not exceed the national average of public, four-year institutional tuition and fees. Grant funds are used to waive or significantly reduce the cost of tuition and fees on a first dollar basis for eligible students for up to sixty credits. In order to be eligible, HBCUs must have a student body that is at least 35 percent low-income, including Pell-eligible students. Additionally, eligible HBCUs must commit to maintain or adopt evidence-based institutional reforms designed to improve student outcomes, and to set performance goals for improving those outcomes. Eligible HBCUs who enter into articulation agreements with community colleges may also receive grant funds for eligible transfer students.

This section authorizes grants to eligible four-year TCCUs based on actual tuition and fees. The per-student amount granted will not exceed the national average of public, four-year institutional tuition and fees. Grant funds are used to waive or significantly reduce the cost of tuition and fees on a first dollar basis for eligible students for up to sixty credits. In order to be eligible, TCCUs must have a student body that is at least 35 percent low-income, including Pell-eligible students. Additionally, eligible TCCUs must commit to maintain or adopt evidence-based institutional reforms designed to improve student outcomes, and to set performance goals for improving those outcomes. Eligible TCCUs who enter into articulation agreements with community colleges may also receive grant funds for eligible transfer students.

This section authorizes grants to eligible four-year MSIs (HSIs, AANAPISIs, ANNHSIs, PBIS, and NASNTIs) based on actual tui-

tion and fees. The per-student amount granted will not exceed the national average of public, four-year institutional tuition and fees. Grant funds are used to waive or significantly reduce the cost of tuition and fees on a first dollar basis for eligible students for up to sixty credits. In order to be eligible, an MSI must have a student body that is at least 35 percent low-income including Pell-eligible students. Additionally, eligible MSIs must commit to maintain or adopt evidence-based institutional reforms designed to improve student outcomes, and to set performance goals for improving those outcomes. MSIs who enter into articulation agreements with community colleges may also receive grant funds for eligible transfer students.

This section defines terms for the purpose of grants authorized under this section. Eligible students are those who are enrolled at an HBCU, TCCU, or MSI on at least a half-time basis, who maintain satisfactory academic progress and are low-income, including Pell-eligible students. This includes both students who start at an HBCU, TCCU, or MSI, as well as those who transfer from another college. Benefits apply for a maximum of sixty credits, and students lose eligibility for benefits after three calendar years. Students whose parents were denied a Parent PLUS loan between November 2011 and March 2015, who subsequently withdrew from an HBCU, TCCU, or MSI, may also participate in the program even though they are returning students. HBCUs are defined as institutions that meet the requirements described in paragraph (2) of section 322 of the HEA. TCCUs are defined as institutions that meet the requirements of section 316 of the HEA. MSIs are defined as institutions that meet the requirements described in any of paragraphs (2) or (4) through (7) of section 371(a) of the HEA. This section authorizes and appropriates $63.25 million in FY 2021 and authorizes and appropriates increasing amounts for each succeeding fiscal year, with such authorization and appropriation equaling $1.63 billion in FY 2030.

Sec. 4804—Unmet need for Federal Pell Grant recipients

This section authorizes the Secretary to expand the America's College Promise partnership authorized by Sec. 4801 of this Act to provide an additional affordability guarantee, subject to appropriations. Under this section, each Pell recipient at a public college in the participating states and tribes is provided with a grant sufficient to cover the student's remaining unmet need (i.e. the difference between the student's cost of attendance and other grants already received by the student). This guarantee applies to Pell recipients at both two- and four-year institutions. Students lose eligibility for grants three years after they first receive a benefit at a two-year institution and six years after they first receive a benefit at a four-year institution.

Funds under this section are allocated using a formula that accounts for the number of eligible students within a state or tribe as compared to the number of eligible students among all participating grantees. Grantees are provided a minimum federal allocation sufficient to pay for 75 percent of the grants covering unmet need for eligible students (based on average unmet need among Pell recipients nationwide). States and tribes are required to provide matching funds equal to 25 percent of the cost of providing

such grants. An exception to such matching requirement is made for Indian tribes with a Pell enrollment of at least 75 percent.

Only states receiving a grant under Sec. 4801 of this Act are eligible to participate in the expanded affordability guarantee authorized by this section. This section includes reporting requirements, student eligibility requirements, technical assistance, and logistical provisions aligned to the requirements enumerated in Sec. 4801 of this Act.

Sec. 4805—Unmet need for students

This section authorizes the Secretary to expand the America's College Promise partnership authorized by Sec. 4801 of this Act to provide an additional affordability guarantee, subject to appropriations. Under this section, each student at a public college in the participating states and tribes is provided with a grant sufficient to cover the student's remaining unmet need (i.e. the difference between the student's cost of attendance and other grants already received by the student). This guarantee applies to students at both two- and four-year institutions. Students lose eligibility for grants three years after they first receive a benefit at a two-year institution and six years after they first receive a benefit at a four-year institution.

Funds under this section are allocated using a formula that accounts for the number of eligible students within a state or tribe as compared to the number of eligible students among all participating grantees. Grantees are provided a minimum federal allocation sufficient to pay for 75 percent of the grants covering unmet need for eligible students (based on average unmet need among students nationwide). States and tribes are required to provide matching funds equal to 25 percent of the cost of providing such grants. An exception to such matching requirement is made for Indian tribes with a Pell enrollment of at least 75 percent.

Only states receiving a grant under Sec. 4801 of this Act and covering the unmet need of Pell recipients under Sec. 4804 of this Act are eligible to participate in the expanded affordability guarantee authorized by this section. This section includes reporting requirements, student eligibility requirements, technical assistance, and logistical provisions aligned to the requirements enumerated in Sec. 4801 of this Act.

Sec. 4806—Tuition waivers

This section authorizes the Secretary to expand the America's College Promise partnership authorized by Sec. 4801 of this Act to provide an additional affordability guarantee, subject to appropriations. Under this section, participating states and tribes would waive the cost of tuition and fees for students at public four-year colleges. Students lose eligibility for waivers six years after they first receive a benefit under this section.

Funds under this section are allocated using a formula that accounts for the number of eligible students within a state or tribe as compared to the number of eligible students among all participating grantees. Grantees are provided a minimum federal allocation sufficient to cover 75 percent of the tuition waivers for eligible students (based on average tuition at public four-year institutions nationwide). States and tribes are required to provide matching

funds equal to 25 percent of the cost of providing such waivers. An exception to such matching requirement is made for Indian tribes with a Pell enrollment of at least 75 percent.

Only states receiving a grant under Sec. 4801 of this Act, covering unmet need for Pell recipients under Sec. 4804 of this Act, and covering unmet need for non-Pell students under Sec. 4805 of this Act, are eligible to participate in the expanded affordability guarantee. This section includes reporting requirements, student eligibility requirements, technical assistance, and logistical provisions aligned to the requirements enumerated in Sec. 4801 of this Act.

Sec. 4807—Expansion for private institutions

This section authorizes the Secretary to expand the unmet need affordability guarantees authorized under Secs. 4804 and 4805 of this Act to allow states participating in those sections to extend benefits to students at private nonprofit institutions of higher education, subject to appropriations. The Secretary is required to establish eligibility standards for private nonprofit institutions participating under this section which must, at a minimum, include benchmarks for the enrollment of low-income students, a requirement that participating nonprofit institutions not reduce institutional need-based aid, and a requirement that the grant funds provided for students at nonprofit institutions under this section may not exceed the grants received by students with similar levels of financial need (as measured by EFC) at public institutions in the state. Student eligibility requirements under this section are the same as those established under Secs. 4804 and 4805 of this Act, except that eligibility standards related to in-state tuition do not apply.

TITLE V—DEVELOPING INSTITUTIONS

Sec. 5001—Hispanic-serving institutions

This section adds a new authorized use for title V which allows Hispanic-Serving Institutions (HSIs) to use grant funds to promote opportunities for international education, including through partnerships with international institutions. Such flexibility includes allowing institutions that use title V funds for endowments to count restricted gifts to the endowment fund toward the current-law matching requirement and reducing such requirement from a minimum of 100 percent to 50 percent. This section further allows institutions using title V funds for endowment growth to use endowment earnings to support student scholarships.

Sec. 5002—Promoting postbaccalaureate opportunities for Hispanic Americans

This section amends the Promoting Postbaccalaureate Opportunities for Hispanic Americans (PPOHA) program by reorganizing and expanding the program's authorized activities. This section divides authorized activities into two categories, the first of which includes all currently authorized activities other than faculty development (described as PPOHA Activities) and the second of which includes an expanded list of activities related to faculty development, support for graduate students, faculty recruitment, and research sup-

port for early-career faculty (described as Faculty Development Activities). An individual grant may fund PPOHA Activities or Faculty Development Activities, but not both. This section directs the Secretary to devote at least one-third of appropriated funds toward grants for PPOHA Activities and at least one-third of appropriated funds towards grants for Faculty Development Activities.

Sec. 5003—General provisions

This section reauthorizes title V programs. This section authorizes $350 million for part A and C programs and $115 million for part B programs. All programs are authorized for FY 2021 and each of the five succeeding fiscal years. Further, this section directs the Secretary to reserve 0.75 percent of funds appropriated for Part A for technical assistance and administrative training for staff and faculty.

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

Sec. 6001—International education

This section authorizes graduate students who are at the beginning level of learning a foreign language as eligible to receive a Foreign Language and Area or International Studies Fellowship. This section repeals three program authorizations and authorizes a program that combines and updates the principles and activities of the repealed program authorizations. Such program supports necessary international and foreign language (FL) education research and innovation projects to assess and strengthen international education capacity and coordination. This section requires the Secretary to conduct research to better understand the country's international and FL education capacity, structure, and effectiveness; scale up proven strategies and invest in promising new ideas to deliver international and FL education resources; and develop a database that documents such activities and research.

Sec. 6002—Global business and professional education programs

This section authorizes a program that combines and updates the principles and activities of programs repealed in this Act. Such program supports innovative initiatives that give undergraduate and graduates students the opportunity to gain or build the skills and perspectives necessary to strengthen the United States' ability to engage and compete globally.

Institutions or institutions in partnership with a nonprofit entity are eligible to receive grants authorized by this section. Such grants shall be used to incorporate foreign language programs with immersion opportunities, internship abroad or other opportunities, and economic studies in their academic programs. Grantees must also work with professional communities, corporations, and nonprofit organizations to strengthen programs and ensure relevance for private and national security needs. Grantees may use funds to develop specialized instructional materials, provide student opportunities outside of the traditional school year or over academic breaks, establish exchange programs, and other innovative activities for academic and career development. The Secretary may only award grants authorized by this section for a fiscal year in which

the appropriation for title VI of the HEA exceeds the annual appropriation for such title in FY 2019 ($65,103,000).

Sec. 6003—Repeal of assistance program for Institute for International Public Policy

This section repeals part C of title VI of the HEA, the Institute for International Public Policy.

Sec. 6004—General provisions

This section requires the Secretary to provide technical assistance to HBCUs, TCCUs and other MSIs to help such institutions submit qualified applications for grants authorized under title VI of the HEA. This section authorizes the Secretary to give priority to qualified grant applications submitted by HBCUs and other MSIs or institutions of higher education that propose significant and sustained collaborative activities with one or more HBCU, TCCU, or MSI. This section authorizes $125 million for FY 2021 and each of the five succeeding fiscal years.

TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

Sec. 7001—Graduate assistance in areas of national need

This section reauthorizes the Graduate Assistance in Areas of National Need (GAANN) program which provides fellowships to graduate students in a field designated as an area of national need, for FY 2021 and each of the succeeding five fiscal years.

Sec. 7002—Graduate education programs

This section expands the eligible HBCUs and PBIs that can receive funding to support masters' degree programs to allow any HBCU or PBI that offers a qualifying masters' degree program to apply for funding in the future. This section creates two new subparts in the HEA to establish new grant programs that support graduate opportunities and faculty development at AANAPISIs and TCCUs. Grants are for five years and funds can be used to support graduate program activities including purchasing scientific equipment, maintenance of classrooms, purchasing research materials, support for low-income students through fellowships and scholarships, improving distance education technology, collaboration with other institutions, and other activities proposed by the institution. Funds can also be used to support faculty development activities including supporting graduate students pursing academia, developing career services, supporting recruitment and retention of faculty, supporting research from early-career faculty, and other activities proposed by the institution. The grant program for AANAPISIs is authorized at $30 million for FY 2021 and each of the five succeeding fiscal years. The grant program for TCCUs is authorized at $5 million for FY 2021 and each of the five succeeding fiscal years.

Sec. 7003—Fund for Improvement of Postsecondary Education

This section reauthorizes the Fund for the Improvement of Postsecondary Education (FIPSE) for FY 2021 and each of the five succeeding fiscal years.

Sec. 7004—Minority-serving institutions innovation fund

This section authorizes a program under part C of title VII of the HEA titled "Funding Innovations at Minority-Serving Institutions" designed to increase recruitment of older low-income students and students, improve student achievement and graduation, increase attainment of STEM degrees, expand the use of technology, and improve employment outcomes.

This section defines an eligible entity for a grant under this part as an MSI, including HBCUs and TCCUs, or as a consortium comprised of an MSI and any one or combination of the following: one or more additional institutions, a private nonprofit organization, a LEA, or a high school that receives title I funding under ESEA and has been identified for comprehensive support and improvement under ESEA.

This section authorizes competitive planning and implementation grants to eligible entities. Planning grants shall not exceed $150,000 and shall be awarded to each MSI designation in proportion to the allocations made in section 757 of the HEA and in the order in which applications are received. Competitive implementation grants last for five years except that the Secretary may only provide funds after the third year if the entity demonstrates satisfactory progress toward carrying out the grant activities. A grant shall not exceed $10 million. The section includes requirements for eligible entities applying as a consortium, including designation of a fiscal agent, requirements regarding written agreements, and the ability to make subgrants to members of the consortium.

This section requires applications for implementation grants to describe the specific innovations proposed, including a description of the evidence supporting such innovation, if applicable; how such innovation will address the purpose of this section and will further the institutional mission of the MSI; the specific activities that will be carried out to implement the innovation; proposed performance metrics to track progress; planned independent evaluations including interim and final reports; and plans to sustain the innovation beyond the grant period.

This section sets competitive priorities the Secretary shall use in awarding grants under this part. Applicants that submitted planning grant applications in the prior year but did not receive an award due to insufficient appropriations receive priority in subsequent years. For implementation grants, competitive priority will be awarded to applicants that have not previously received funds under this part. Competitive priority will also be awarded to applicants that address issues of major national need.

This section outlines allowable uses each of the grants. For planning grants, eligible entities shall conduct a comprehensive planning process that evaluates the institution's needs, researches educational innovations, selects appropriate innovations, assesses the institution's capacity for implementation, and further develops such capacity for implementation. For implementation grants, eligible entities shall develop, pilot, field-test, implement, document, validate, and, as applicable, scale up and replicate the innovations proposed to be implemented. Funding can be used on innovations that create a college-bound culture at secondary schools to increase college going; improve student achievement; increase postsecondary degree attainment for minority males; increase the percentage of

students who make progress towards graduation and graduate on time; promote a positive climate on campus; increase STEM graduates; support economic development and entrepreneurship; improve courses; enhance the quality of teacher and school leader preparation programs; expand the use of technology; and strengthen postgraduate employment outcomes.

This section authorizes $850 million in appropriations for FY 2021 and each of the five succeeding fiscal years and includes a specific funding amount for each MSI designation.

Sec. 7005—Definitions

This section defines terms for grants that support students with disabilities including comprehensive transition and postsecondary program for students with intellectual disabilities, disability (as defined in the Americans with Disabilities Act), institution of higher education (as defined in section 101 of the HEA), Office of Accessibility, Recognized Postsecondary Credential (as defined in section 101 of WIOA), Student with Intellectual Disability, Universal Design for Learning, comprehensive transition and postsecondary program for students with intellectual disabilities, and student with intellectual disability.

Sec. 7006—Supporting postsecondary faculty, staff, and adinistrators in providing accessible education

This section reauthorizes competitive grants to support institutions in providing an accessible education. This section maintains activities that support teaching methods and strategies and effective transition practices (with a new emphasis on implementation and evidence-based methods, as well as supporting students in the development of self-advocacy skills to complete postsecondary education as a teaching method). This section also newly authorizes activities focused on implementing accommodations and disability career pathways.

This section authorizes grants to support the development and implementation of training to provide appropriate accommodations for students with disabilities, including descriptions of the legal obligations of the institution to provide accommodations. Additionally, the revised career pathway guidance allows for the development and implementation of effective and evidence-based teaching methods to advise students with disabilities on: internships, apprenticeships, or work-based learning opportunities; counseling on coursework to meet the recognized educational credential; developing self-advocacy skills to advocate for appropriate accommodations once in the workplace; or supporting the student in selecting a career pathway that leads to competitive, integrated employment.

Sec. 7007—Office of Accessibility

This section requires each institution to establish or maintain an office of accessibility to develop and implement policies to support students with disabilities. Such office is required to: inform students during orientation about services at the institution and continually update such information through the office's website and other communications; provide information to students about accommodations and modifications provided by the institution; and provide information to students about their legal rights. The office

also must adopt policies that make the following documentation sufficient to establish an individual has a disability: an individualized education plan; a 504 plan from the Rehabilitation Act; a plan or record of service under the American Disabilities Act; a record or evaluation from a relevant licensed professional; a plan or record from another institution; or documentation of a disability due to uniformed services.

This section authorizes grants to institutions for up to a period of five years to support development and implementation of Universal Design for Learning across the entire institution, including or improve distance education courses consistent with Universal Design for Learning to improve accessibility of instruction and materials.

Sec. 7008—Postsecondary programs for students with intellectual disabilities

This section reauthorizes grants to support transition programs for students with intellectual disabilities into higher education. This section includes inclusive programs that promote the successful transition of students with disabilities in higher education and the earning of a degree, certificate, or recognized postsecondary credential issued by the institution in the program purpose. Funds may be used to serve students with intellectual disabilities, provide individual supports and services, integrate person-centered planning in the development of the course study, integrate students into institutionally owned housing (if applicable), participate with the coordinating center, partner with one or more local educational agencies, plan for the sustainability of the program, and award a degree, certificate, or recognized postsecondary credential.

This section also requires institutions to collect and transmit to the coordinating center on an annual basis student-level information related to the experiences and outcomes of students who participate in the inclusive higher education program for students with intellectual disabilities. Further, each grantee must collect longitudinal outcome data from each student participating in the program and transmit the data to the coordinating center, consistent with federal privacy protections.

Sec. 7009—National Technical Assistance Center and National Coordinating Center for Inclusion of Students with Intellectual Disabilities

This section reauthorizes the National Technical Assistance Center and adds transitioning students with disabilities from secondary school to postsecondary education as a new demonstrated expertise in defining eligible entities for the purpose of programs funded under such center.

This section reauthorizes the National Coordinating Center for Inclusion of Students with Intellectual Disabilities and clarifies that technical assistance and evaluations may include the systematic collection of annual student and program data and facilitation of outcomes data of students with intellectual disabilities. This section includes additional cooperative agreement requirements for the eligible entity to evaluate programs using qualitative and quantitative methodologies for measuring program strengths, create and maintain a database of student and program level data, and create

and maintain a mechanism to consolidate follow-up data on student outcomes.

This section enumerates required activities for when an eligible entity convenes a working group to develop and recommend model standards of inclusive higher education. The activities include conducting outreach to accrediting agencies; developing a technical guidance document to support implementation of model standards; developing and implementing model standards; and updating recommendations for model standards, criteria, and components of such programs, as applicable.

Sec. 7010—Formula grants to states to improve higher education opportunities for foster youth and homeless youth

This section authorizes a program under part F of title VII of the HEA titled Grants for Improving Access to and Success in Higher Education for Foster and Homeless Youth. This section authorizes the Secretary to establish a formula grant program to enable each state to establish or expand statewide initiatives that improve the transition between K 12 and higher education for foster and homeless youth and develop Institutions of Excellence to serve such youth from entrance to completion including through financial aid and support services.

This section authorizes the Secretary to reserve up to 3 percent of funds for tribes and up to 2 percent for territories. This section authorizes the Secretary to reserve up to 7 percent of funds to provide technical assistance, in consultation with the Secretary of Health and Human Services, and to execute program evaluations, and up to 3 percent of funds for administrative expenses. This section requires the Secretary to submit an annual report to Congress about the progress of the grant program.

This section establishes a minimum state grant amount of $500,000. Grant size is based on a state's foster and homeless youth population compared with the number of foster and homeless youth nationwide. To receive funds, states must submit a yearly application and an annual report.

This section requires states to use 25 percent of grant funds to establish intensive, statewide transition initiatives to improve the college-going culture among foster and homeless youth and increase their enrollment in colleges and universities. This section requires states to use 70 percent of grant funds to develop Institutions of Excellence to serve foster and homeless youth through campus-based support services and financial assistance. An eligible institution receiving a grant must collaborate with the state child welfare agency and an organization that serves homeless youth. The institution must use the funds to execute the following activities for foster and homeless youth: offer flexibility and assistance in completing the college application process; provide institutional aid to cover the remaining cost of attendance beyond federal and state grants; provide outreach to students to ensure such youth are aware of housing resources during holiday breaks; subsidize any fees associated with orientation and offer free transportation to college orientation or move-in week; hire and provide training for at least one full-time case manager; establish or enhance comprehensive wraparound services; establish or expand early alert systems

to identify and support such students; and collect, review, and monitor data for program improvement.

This section authorizes $150 million for FY 2021 and authorizes amounts that increase for inflation in each of the five succeeding fiscal years.

TITLE VIII—ADDITIONAL PROGRAMS

Sec. 8001—Repeals

This section amends title VIII of the HEA to repeal 16 unfunded programs with expired program authorizations.

Sec. 8002—Ronald V. Dellums memorial STEAM scholars program

This section amends section 802 of the HEA to authorize the Ronald V. Dellums Memorial STEAM Scholars Program. This section authorizes $5 million for FY 2021 and each of the five succeeding fiscal years to provide grants to institutions in support of scholarships for students in pursuit careers in STEAM fields, with at least 50 percent of such scholarships awarded to eligible students who attend HBCUs and other MSIs.

Sec. 8003—Teach for America

This section reauthorizes the five-year grant for Teach for America, Inc. This section authorizes $30 million for FY 2021 and each of the five succeeding fiscal years.

Sec. 8004—Patsy T. Mink Fellowship Program

This section reauthorizes the Patsy T. Mink Fellowship Program, which provides fellowships to women and people of color to pursue graduate degrees, including doctorates, in fields of study where they are underrepresented. This section authorizes $10 million for FY 2021 and each of the five succeeding fiscal years.

Sec. 8005—Improving science, technology, engineering, and mathematics education with a focus on American Indian, Alaska Native, and Native Hawaiian students

This section amends section 819 of the HEA to authorize $5 million for FY 2021 and each of the five succeeding fiscal years to develop or expand STEM education programs with a focus on the educational need of Alaska Native and Native Hawaiian students.

Sec. 8006—Encouraging campus comprehensive mental health and suicide prevention plans

This section directs the Secretary to make efforts to encourage institutions to develop and implement comprehensive mental health and suicide prevention plans.

Sec. 8007—Grants for rural-serving institutions of higher education

This section reauthorizes grants to rural-serving institutions of higher education to increase the graduation and completion rates of students in rural areas. This section authorizes $20 million for FY 2021 and each of the five succeeding fiscal years.

Sec. 8008—Training for realtime writers to provide closed captioning and court reporting services

This section reauthorizes the Program to Promote Training and Job Placement of Realtime Writers for FY 2021 and each of the five succeeding fiscal years.

Sec. 8009—Grant program to establish, maintain, and improve veteran student centers

This section amends the section that authorizes grants for institutions or a consortium of institutions to establish, maintain or improve the operation of Veteran Student Centers. The term 'veteran student center' is defined as dedicated space on-campus for student veterans and members of the Armed Forces. This section authorizes $15 million for FY 2021 and each of the five succeeding fiscal years.

To be eligible, an institution must enroll a significant number of student veterans, members of the Armed Forces or members of the reserves or enroll a significant percentage of student veterans, members of the Armed Forces or members of the reserves. Institutions must also include a sustainability plan to maintain the veteran student center after the grant funding expires. Funds must be used to maintain the operation of a student veteran center. A portion of the funds awarded can be used to assist veterans in special admissions and transfer of credit and other activities to help student veterans achieve their educational and career goals.

Sec. 8010—University Sustainability Program amendments

This section amends section 881 of the HEA to reauthorize sustainability planning grants for FY 2021 and each of the five succeeding fiscal years. Such grants are provided to institutions or nonprofits operating in partnership with institutions to establish sustainability programs to design and implement the teaching and practice of sustainability, including in the areas of staff and faculty professional development, energy management, greenhouse gas emissions reductions, green building, waste management, transportation, resilience, green workforce, and other aspects of sustainability that integrate the local community with multidisciplinary academic programs and are applicable to the private and Government sectors.

Sec. 8011—Modeling and simulation

This section reauthorizes modeling and simulation programs to promote the study of modeling and simulation at institutions and authorizes $75 million for FY 2021 and each of the five succeeding fiscal years.

Sec. 8012—Path to success

This section reauthorizes the Path to Success program for FY 2021 and each of the five succeeding fiscal years.

Sec. 8013—Mandatory funding for masters and postbaccalaureate programs

This section reauthorizes and appropriates $13.5 million for FY 2021 and each succeeding fiscal year to provide grants for master's degree programs at HBCUs and PBIs authorized under sections

723 and 724 of the HEA. This section reauthorizes and appropriates $21 million for FY 2021 and each succeeding fiscal year for the Promoting Postbaccalaureate Opportunities for Hispanic Americans Program at HSIs. This section authorizes $13 million for FY2021 and each succeeding fiscal year to support the coordinated administration of graduate programs authorized under Part A of title VII.

Sec. 8014—Funds for access to open educational resources

This section amends title VIII of the HEA to authorize $5 million for FY 2021 and each of the five succeeding fiscal years to provide grants to expand the use of open educational resources. Grants are provided to eligible institutions or a group of institutions to support projects that expand the use of high-quality open textbooks in order to achieve savings for students while improving instruction and student learning outcomes. An institution or institutions that receive a grant under this section shall use the grant funds to provide for professional development; creation or adaptation of high-quality educational resources that meet accessibility standards; developing or improving tools and informational resources to support the use of open textbooks; and research evaluating the use of open textbooks for achieving savings for students.

Educational content created through this grant will be licensed and available to the public free of charge on a fully accessible website.

TITLE IX—DIRECTIVES TO THE SECRETARY OF EDUCATION

Sec. 9001—Providing that the Secretary of Education may not issue or enforce certain rules that weaken the enforcement of the prohibition of sex discrimination applicable under title IX of the Education Amendments of 1972

This section blocks implementation, enforcement, or effect of the "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance" rule, proposed by Secretary DeVos on November 29, 2018, or any substantially similar rule.

Sec. 9002—Study and report on single certification form

This section requires the Secretary to conduct a study and report to Congress on the feasibility of developing a single certification form that borrowers may use to electronically submit information for TEACH grants, loan forgiveness under income driven repayment, loan cancelation for teachers, and public service loan forgiveness.

Sec. 9003—Longitudinal study on the effectiveness of student loan counseling

This section requires the Secretary, acting through the Director of the Institution of Education Sciences, to conduct a longitudinal study on the impact and effectiveness of student loan counseling required under the HEA and provide interim reports to Congress.

Sec. 9004—Study and procedures on determining family size

This section requires the Secretary, in consultation with the Secretary of the Treasury, to conduct a study on the effect of using data from the IRS on the deduction of personal exemptions as a proxy for family size under an IDR plan. The Secretary must use the results of the study and the comments submitted during a public comment period to develop procedures for determining family size for the automatic recertification of income under an IBR plan.

Sec. 9005—Universal unique numeric data identifier

This section requires the Secretary to assign a unique numeric identifier to at least each campus of each institution that receives funds under title IV of the HEA to be used for reporting and disaggregating data for purposes required by the HEA.

Sec. 9006—Questions on food and housing insecurity in national postsecondary student aid study

This section requires the Secretary to include questions that measure rates of food and housing insecurity in each National Postsecondary Student Aid Study conducted after the date of enactment of this Act.

Sec. 9007—Disaggregation of data using racial groups

This section requires the Secretary to conduct a study on the feasibility of disaggregating data reported pursuant to the HEA using the racial groups identified by the American Community Survey of the Bureau of the Census and issue best practices with respect to such disaggregation.

Sec. 9008—Disaggregation of data by sexual orientation and gender identity

This section requires the Secretary to conduct a study on options for disaggregating data reported pursuant to the HEA by sexual orientation and gender identity and issue best practices with respect to such disaggregation.

Sec. 9009—Accessible instructional materials and technology

This section establishes an independent commission to develop and issue voluntary guidelines for accessible postsecondary electronic instructional materials and related technologies to ensure students with disabilities are afforded the same educational benefits provided to students without disabilities, improve the selection and use of such materials and technologies at institutions, and encourage publishers to make accessible versions of materials and technologies more readily available. The Speaker of the House of Representatives, President pro tempore of the Senate, and the Secretary are required to establish the commission comprising members from communities of persons with disabilities for whom accessibility of electronic instructional materials is significant, higher education leadership, and developers of postsecondary electronic instructional materials and manufacturers of related technologies. Administrative support for the commission is provided by the Secretary through the Office of Postsecondary Education of the Department. The Secretary is required to review every five years, through notice for public comment, the voluntary guidelines issued

by the commission. The Secretary is required to report and make recommendations to Congress, informed by such review.

Sec. 9010—Serving and supporting students with mental health disabilities in institutions of higher education

This section directs the Secretary to establish an advisory committee on serving and supporting students with mental health disabilities in higher education. The commission with conduct a study about the issues facing students with mental health disabilities on campus and will provide recommendations to improve outcomes with students with mental health disabilities. This section directs GAO to conduct a study about the challenges faced by students with mental health disabilities.

Sec. 9011—Federal student loan cancellation commission

This section establishes a commission to study the impact of federal student loan debt on the short- and long-term socioeconomic outcomes of individual borrowers and regional and national economies. The commission is also responsible for studying the feasibility of canceling federal student loan debt. The commission has 24 months after the date on which the last member is appointed to submit a report to Congress containing findings on debt and recommendations to create a federal student loan cancellation program. This section establishes the composition of and appointment to the commission and outlines the powers of the commission (e.g. holding hearings and establishing subcommittees).

Sec. 9012—Distribution of resources to prevent incidents of bias on campus

This section directs the Secretary to disseminate resources, including best practices information, about preventing and responding to incidents of bias, including bias based on actual or perceived race, color, religion, national origin, sex (including sexual orientation, gender identity, pregnancy, childbirth, a medical condition related to pregnancy or childbirth, and sex stereotype), or disability, at institutions of higher education.

Sec. 9013—GAO study on racial and socioeconomic equity gaps at public 4-year institutions

This section directs the Comptroller General to prepare a report that examines racial and socioeconomic equity gaps in outcomes such as enrollment, degree attainment, and federal student loan repayment rates. The GAO must explore factors that may contribute to these gaps and efforts by states and institutions to close these gaps. Additionally, the GAO must study the racial breakdown of faculty and staff at public four-year institutions and how retention rates for faculty and staff of color compare to white faculty and staff.

Sec. 9014—GAO study on license revocations related to student loan defaults

This section directs the Comptroller General to conduct a study on State practices related to the denial, suspension, or revocation of an individual's professional or driver's license when such individual defaults on their student loans. The study shall include a re-

view of State laws, the extent to which borrowers are affected by such laws to deny or revoke licenses, and the consequences of such denials on student loan borrowers.

TITLE X—AMENDMENTS TO OTHER LAWS

Part A—Education of the Deaf Act of 1986

Sec. 10001—Composition of Board of Trustees

This section amends the Education of the Deaf Act to change the number of members on the Board of Trustees for Gallaudet University from 21 to 23 Members and add two United States Senator to the board.

Sec. 10002—Administrative requirements of Laurent Clerc National Deaf Education Center

This section aligns activities of the Laurent Clerc National Deaf Education Center (Clerc Center), which provides elementary and secondary education programs, with requirements of the ESEA by requiring the Clerc Center to adopt challenging State academic standards and academic assessments and implement an accountability system.

Sec. 10003—Federal endowment programs for Gallaudet University and the National Technical Institute for the Deaf

This section clarifies a definition relating to the Federal endowment fund.

Part B—Tribally Controlled Colleges and Universities Assistance Act of 1978

Sec. 10101—Tribally Controlled Colleges and Universities Assistance Act of 1978

This section makes amendments to the Tribally Controlled Colleges and Universities Assistance Act (TCCUAA), including through amending the definition of "tribally controlled college or university" and amending how the Bureau of Indian Education (BIE) counts Indian students at TCCUs (both in academic programs and continuing education programs) for purposes of funding under the TCCUAA. Additionally, this section requires the BIE to use the Indian student enrollment data from the prior-prior academic year.

This section also authorizes to be appropriated such sums as may be necessary for FY 2021 and each of the five succeeding years to carry out titles I, III, IV and V of the TCCUAA. To account for this authorization, it makes conforming amendments to respective sections.

This section amends the TCCUAA section that authorizes planning grants to help a tribe determine the feasibility of establishing a tribal college by replacing such authorization with a requirement that the Secretary of the Interior submit a report to Congress on inquiries received from federally recognized Indian Tribes and tribal organization about the process for establishing a TCCU. Additionally, this section allows the Secretary of the Interior to pay for the feasibility study used to determine whether there is justifica-

tion to start a TCCU only from the BIE's administrative budget, rather than the TCCU operating fund.

This section makes other changes to grant programs authorized under the TCCUAA. It updates the priority used for grants to TCCUs to institutions that received payments under title I in FY 2019 or were affiliated with an institution that received payments. In the case that the sum appropriated for any fiscal year is insufficient to pay in full the total amount that approved applicants are eligible to receive, this section directs the Secretary of the Interior to first allocate funding to existing TCCUs at a specified amount before payments to new TCCUs are awarded.

This section replaces the TCCUAA study on vacant or underutilized facilities owned by the Bureau of Indian Affairs with a required study on the condition of TCCU facilities that identifies the need for new construction, renovation, and infrastructure enhancements at TCCUs. Further, this section outlines eligible activities for grants provided for such construction.

This section amends the endowment program authorized under the TCCUAA to better align the program with the Endowment Challenge Grant Program administered by the Department. Such amendments include restricting the grant to 20 years.

This section allows tribally controlled postsecondary career and technical institutions to be eligible for grant programs authorized under the TCCUAA.

Part C—Strengthening Program Alignment for Postsecondary Perkins Career and Technical Education Programs

Sec. 10201—Strengthening program alignment for postsecondary Perkins Career and Technical Education Programs

This section authorizes $183.52 million in additional appropriation for FY 2021 and each of the succeeding fiscal years to postsecondary Perkins Career and Technical Education (CTE) programs. These funds will support community colleges that have partnered with secondary schools, area CTE schools, four-year institutions, and workforce development systems to create stronger alignment in carrying out CTE programs and programs of study. Funds will additionally support the expansion of career pathways, articulation agreements, career guidance, and academic counseling. Of the $183.52 amount for FY 2021, $1.52 million is authorized to be appropriated to assist outlying areas and an additional $1 million is authorized to be appropriated for Tribally Controlled Postsecondary Career and Technical Institutions.

Part D—General Education Provisions Act

Sec. 10301—Release of education records to facilitate the award of a recognized postsecondary credential

This section authorizes the release of educational records to an institution at which a student was previously enrolled in order to facilitate the awarding of credentials and degrees by such institution, also known as "reverse transfer." Students must provide consent prior to receiving a credential.

Part E—Education Sciences Reform Act of 2002

Sec. 10401—Inclusion of racial subgroups in IPEDS data

This section requires the NCES to collect and report data for the purposes of IPEDS and the postsecondary student data system created under Sec. 1022 of this Act disaggregated by all the racial groups specified in the U.S. Census Bureau's American Community Survey.

Part F—U.S. Institute of Peace

Sec. 10501—Reauthorization of the U.S. Institute of Peace

This section reauthorizes the U.S. Institute of Peace for FY 2021 and each of the five succeeding fiscal years.

EXPLANATION OF AMENDMENTS

The amendments, including the amendment in the nature of a substitute are explained in the descriptive portions of this report.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Pursuant to section 102(b)(3) of the *Congressional Accountability Act*, Pub. L. No. 104–1, H.R. 4674 does not apply to terms and conditions of employment or to access to public services or accommodations within the legislative branch.

UNFUNDED MANDATE STATEMENT

Pursuant to Section 423 of the *Congressional Budget and Impoundment Control Act* (as amended by Section 101(a)(2) of the *Unfunded Mandates Reform Act*, Pub. L. 104–4), the Committee adopts as its own the estimate of federal mandates regarding H.R. 4674, as amended, prepared by the Director of the Congressional Budget Office.

EARMARK STATEMENT

In accordance with clause 9 of rule XXI of the Rules of the House of Representatives, H.R. 4674 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as described in clauses 9(e), 9(f), and 9(g) of rule XXI.

ROLL CALL VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the Committee advises that the following roll call votes occurred during the Committee's consideration of H.R. 4674:

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 1 Bill: H.R. 4674 Amendment Number: 2

Disposition: defeated by a vote of 21-27

Sponsor/Amendment: Foxx / Substitute Amendment to the ANS

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)			X*	Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)			X	Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)		X	
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 21 Nos: 27 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 2 Bill: H.R. 4674 Amendment Number: 4

Disposition: defeated by a vote of 18-28

Sponsor/Amendment: Smucker / Restricts eligibility for tuition-free community college based on income

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 18 Nos: 28 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 3 Bill: H.R. 4674 Amendment Number: 5

Disposition: Adopted by a vote of 46-0

Sponsor/Amendment: McBath/ Allows states that use America's College Promise funds to expand the scope and capacity of high-quality skills training programs at community colleges

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)	X			Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)	X			Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)	X			Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)	X			Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)	X			Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)	X			Mr. BYRNE (AL)			X*
Ms. WILSON (FL)	X			Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)	X			Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)	X			Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)	X			Mr. SMUCKER (PA)			X*
Mr. DESAULNIER (CA)	X			Mr. BANKS (IN)			X*
Mr. NORCROSS (NJ)	X			Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)	X			Mr. COMER (KY)	X		
Mr. MORELLE (NY)	X			Mr. CLINE (VA)	X		
Ms. WILD (PA)	X			Mr. FULCHER (ID)	X		
Mr. HARDER (CA)	X			Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)	X			Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)	X			Mr. WRIGHT (TX)			X*
Ms. UNDERWOOD (IL)	X			Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)	X			Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)	X			Mr. KELLER (PA)	X		
Mr. LEVIN (MI)	X			Mr. MURPHY (NC)	X		
Ms. OMAR (MN)	X						
Mr. TRONE (MD)	X						
Ms. STEVENS (MI)	X						
Mrs. LEE (NV)	X						
Mrs. TRAHAN (MA)	X						
Mr. CASTRO (TX)	X						

TOTALS: Ayes: 46 Nos: 0 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 4 Bill: H.R. 4674 Amendment Number: 6

Disposition: defeated by a vote of 18-28

Sponsor/Amendment: Smucker / Limits the newly required quick reference box in financial offers

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 18 Nos: 28 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 5 Bill: H.R. 4674 Amendment Number: 7

Disposition: Adopted by a vote of 27-19

Sponsor/Amendment: Omar/ Establishes a commission to study the impact of federal student loan debt and provide recommendations to Congress

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)	X			Mrs. FOXX (NC) (Ranking)		X	
Mrs. DAVIS (CA)	X			Mr. ROE (TN)		X	
Mr. GRIJALVA (AZ)	X			Mr. THOMPSON (PA)		X	
Mr. COURNTEY (CT)	X			Mr. WALBERG (MI)		X	
Ms. FUDGE (OH)	X			Mr. GUTHRIE (KY)		X	
Mr. SABLAN (MP)	X			Mr. BYRNE (AL)			X*
Ms. WILSON (FL)	X			Mr. GROTHMAN (WI)		X	
Ms. BONAMICI (OR)	X			Ms. STEFANIK (NY)		X	
Mr. TAKANO (CA)	X			Mr. ALLEN (GA)		X	
Ms. ADAMS (NC)	X			Mr. SMUCKER (PA)			X*
Mr. DESAULNIER (CA)	X			Mr. BANKS (IN)			X*
Mr. NORCROSS (NJ)	X			Mr. WALKER (NC)		X	
Ms. JAYAPAL (WA)	X			Mr. COMER (KY)		X	
Mr. MORELLE (NY)	X			Mr. CLINE (VA)		X	
Ms. WILD (PA)		X		Mr. FULCHER (ID)		X	
Mr. HARDER (CA)	X			Mr. TAYLOR (TX)		X	
Mrs. MCBATH (GA)	X			Mr. WATKINS (KS)		X	
Ms. SCHRIER (WA)	X			Mr. WRIGHT (TX)			X*
Ms. UNDERWOOD (IL)	X			Mr. MEUSER (PA)		X	
Mrs. HAYES (CT)	X			Mr. JOHNSON (SD)		X	
Ms. SHALALA (FL)	X			Mr. KELLER (PA)		X	
Mr. LEVIN (MI)	X			Mr. MURPHY (NC)		X	
Ms. OMAR (MN)	X						
Mr. TRONE (MD)	X						
Ms. STEVENS (MI)	X						
Mrs. LEE (NV)	X						
Mrs. TRAHAN (MA)	X						
Mr. CASTRO (TX)	X						

TOTALS: Ayes: 27 Nos: 19 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 6 Bill: H.R. 4674 Amendment Number: 8

Disposition: defeated by a vote of 18-28

Sponsor/Amendment: Smucker / Prohibits registered lobbyists from accessing Public Service Loan Forgiveness

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 18 Nos: 28 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 7 Bill: H.R. 4674 Amendment Number: 10

Disposition: defeated by a vote of 18-28

Sponsor/Amendment: Smucker / Strikes the modest increase in the set-aside for GEAR UP evaluation

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 18 Nos: 28 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 8 Bill: H.R. 4674 Amendment Number: 11

Disposition: Adopted by a vote of 45-0

Sponsor/Amendment: Trahan (Guthrie) / Makes improvement to the Net Price Calculator system

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)	X			Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)	X			Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)	X			Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)	X			Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)	X			Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)	X			Mr. BYRNE (AL)			X^
Ms. WILSON (FL)	X			Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)	X			Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)	X			Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)	X			Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)	X			Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)	X			Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)	X			Mr. COMER (KY)	X		
Mr. MORELLE (NY)	X			Mr. CLINE (VA)	X		
Ms. WILD (PA)	X			Mr. FULCHER (ID)	X		
Mr. HARDER (CA)			X	Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)	X			Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)	X			Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)	X			Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)	X			Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)	X			Mr. KELLER (PA)	X		
Mr. LEVIN (MI)	X			Mr. MURPHY (NC)	X		
Ms. OMAR (MN)	X						
Mr. TRONE (MD)	X						
Ms. STEVENS (MI)	X						
Mrs. LEE (NV)	X						
Mrs. TRAHAN (MA)	X						
Mr. CASTRO (TX)	X						

TOTALS: Ayes: 45 Nos: 0 Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/2019

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 9 Bill: H.R. 4674 Amendment Number: 12,14 en bloc

Disposition: defeated by a vote of 18-28

Sponsor/Amendment: Guthrie (amend #12), Guthrie (amend #14)

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 18 Nos: 28 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 10 Bill: H.R. 4674 ✚ Amendment Number: 15

Disposition: Adopted by a vote of 28-17

Sponsor/Amendment: Shalala / Moves the 85/15 requirement to the institutional eligibility definition and allows for a phasing in of new 85/15 requirements

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)	X			Mrs. FOXX (NC) (Ranking)		X	
Mrs. DAVIS (CA)	X			Mr. ROE (TN)		X	
Mr. GRIJALVA (AZ)	X			Mr. THOMPSON (PA)		X	
Mr. COURNTEY (CT)	X			Mr. WALBERG (MI)		X	
Ms. FUDGE (OH)	X			Mr. GUTHRIE (KY)		X	
Mr. SABLAN (MP)	X			Mr. BYRNE (AL)			X*
Ms. WILSON (FL)	X			Mr. GROTHMAN (WI)			X*
Ms. BONAMICI (OR)	X			Ms. STEFANIK (NY)		X	
Mr. TAKANO (CA)	X			Mr. ALLEN (GA)		X	
Ms. ADAMS (NC)	X			Mr. SMUCKER (PA)			X*
Mr. DESAULNIER (CA)	X			Mr. BANKS (IN)			X*
Mr. NORCROSS (NJ)	X			Mr. WALKER (NC)		X	
Ms. JAYAPAL (WA)	X			Mr. COMER (KY)		X	
Mr. MORELLE (NY)	X			Mr. CLINE (VA)		X	
Ms. WILD (PA)	X			Mr. FULCHER (ID)		X	
Mr. HARDER (CA)	X			Mr. TAYLOR (TX)		X	
Mrs. MCBATH (GA)	X			Mr. WATKINS (KS)		X	
Ms. SCHRIER (WA)	X			Mr. WRIGHT (TX)			X*
Ms. UNDERWOOD (IL)	X			Mr. MEUSER (PA)		X	
Mrs. HAYES (CT)	X			Mr. JOHNSON (SD)		X	
Ms. SHALALA (FL)	X			Mr. KELLER (PA)		X	
Mr. LEVIN (MI)	X			Mr. MURPHY (NC)		X	
Ms. OMAR (MN)	X						
Mr. TRONE (MD)	X						
Ms. STEVENS (MI)	X						
Mrs. LEE (NV)	X						
Mrs. TRAHAN (MA)	X						
Mr. CASTRO (TX)	X						

TOTALS: Ayes: 28 Nos: 17 ✚ Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 11 Bill: H.R. 4674 Amendment Number: 16

Disposition: defeated by a vote of 17-28

Sponsor/Amendment: Roe / Prevents the bill from taking effect until the Institute for Education Sciences certifies that such implementation shall not increase the cost of attendance

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)			X^
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 17 Nos: 28 Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 12 Bill: H.R. 4674 Amendment Number: 18

Disposition: defeated by a vote of 17-28

Sponsor/Amendment: Roe / Expands sense of congress language on free speech and requires institutions to existing free speech policies to students to receive any funds under the Act

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)			X^
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 17 Nos: 28 Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/2019

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 13 Bill: H.R. 4674 Amendment Number: 20

Disposition: defeated by a vote of 17-28

Sponsor/Amendment: Roe / Prevents students from being treated as employees for collective bargaining purposes

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)			X^
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 17 Nos: 28 Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/2019

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 14 Bill: H.R. 4674 Amendment Number: 21

Disposition: defeated by a vote of 17-28

Sponsor/Amendment: Walberg / Prohibits any government entity from taking any adverse action against an institution for acts or omissions that are in furtherance of its religious mission

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)			X^
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 17 Nos: 28 Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/2019

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 15 Bill: H.R. 4674 Amendment Number: 22

Disposition: defeated by a vote of 17-28

Sponsor/Amendment: Walberg / Adds a GAO study on the impact of student participation in collective bargaining on cost of attendance

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)			X^
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 17 Nos: 28 Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/2019

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 16 Bill: H.R. 4674 Amendment Number: 23

Disposition: defeated by a vote of 17-28

Sponsor/Amendment: Grothman / Strikes the bill's competency-based education (CBE) pilot and inserts a new definition of CBE and related requirements

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)			X^
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 17 Nos: 28 Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/29/2019

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 17 Bill: H.R. 4674 Amendment Number: 24

Disposition: defeated by a vote of 17-28

Sponsor/Amendment: Grothman / Specifies that a student in legal guardianship who continues to receive financial support from their parents is considered dependent for the purposes of the FAFSA

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)			X^
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)			X^
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)			X^
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)			X^
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)			X^
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 17 Nos: 28 Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/2019

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 18 Bill: H.R. 4674 Amendment Number: 27, 28 en bloc

Disposition: Adopted by a vote of 26-20

Sponsor/Amendment: Shalala (amend 27), Thompson (amend 28)

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)	X			Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)	X			Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)			X	Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)	X			Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)	X			Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)	X			Mr. BYRNE (AL)	X		
Ms. WILSON (FL)	X			Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)	X			Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)	X			Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)	X			Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)	X			Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)	X			Mr. WALKER (NC)			X
Ms. JAYAPAL (WA)	X			Mr. COMER (KY)	X		
Mr. MORELLE (NY)	X			Mr. CLINE (VA)	X		
Ms. WILD (PA)	X			Mr. FULCHER (ID)	X		
Mr. HARDER (CA)	X			Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)	X			Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)	X			Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)	X			Mr. MEUSER (PA)			X^
Mrs. HAYES (CT)	X			Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)	X			Mr. KELLER (PA)	X		
Mr. LEVIN (MI)	X			Mr. MURPHY (NC)	X		
Ms. OMAR (MN)			X				
Mr. TRONE (MD)			X				
Ms. STEVENS (MI)	X						
Mrs. LEE (NV)	X						
Mrs. TRAHAN (MA)	X						
Mr. CASTRO (TX)	X						

TOTALS: Ayes: 45 Nos: 0 Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 19 Bill: H.R. 4674 Amendment Number: 29

Disposition: defeated by a vote of 20-25

Sponsor/Amendment: Thompson/ Allows for-profits to participate in the short-term Pell Grant program

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)			X	Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)			X
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)			X^
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)			X				
Mr. TRONE (MD)			X				
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 20 Nos: 25 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 20 Bill: H.R. 4674 Amendment Number: 30

Disposition: defeated by a vote of 20-26

Sponsor/Amendment: Banks/ Prevents the bill from taking effect until the Education Secretary certifies that it will not negatively impact military recruitment and limit veterans' access to education

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)			X*	Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)			X
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)			X^
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 20 Nos: 26 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 21 Bill: H.R. 4674 Amendment Number: 31

Disposition: defeated by a vote of 20-26

Sponsor/Amendment: Grothman / Adds a Title VI eligibility restriction

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)			X*	Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)			X
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)			X^
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 20 Nos: 26 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 22 Bill: H.R. 4674 Amendment Number: 32

Disposition: defeated by a vote of 21-26

Sponsor/Amendment: Grothman / Provides discretion to financial aid administrators to lower loan limits

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)			X*	Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)			X^
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 21 Nos: 26 Not Voting: 3

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 23 Bill: H.R. 4674 Amendment Number: 33

Disposition: defeated by a vote of 21-26

Sponsor/Amendment: Grothman/Strikes requirement for grantees to provide students information on SNAP eligibility

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)			X*	Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)			X^
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 21 Nos: 26 Not Voting: 3

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 24 Bill: H.R. 4674 Amendment Number: 34

Disposition: defeated by a vote of 21-25

Sponsor/Amendment: Allen/Requires states to certify that the state and its subdivisions will cooperate with federal immigration authorities to participate in America's College Promise.

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)			X*	Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)			X	Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)			X^
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 21 Nos: 25 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 25 Bill: H.R. 4674 Amendment Number: 35

Disposition: defeated by a vote of 19-26

Sponsor/Amendment: Allen/Prohibits a school from offering in-state tuition or a reduced fee rate to a person not lawfully present in the United States

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)		X	
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)			X
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)			X	Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)			X	Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)			X^
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)			X				
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 19 Nos: 26 Not Voting: 5

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 26 Bill: H.R. 4674 Amendment Number: 36

Disposition: defeated by a vote of 22-26

Sponsor/Amendment: Stefanik/ Replaces the Public Service Loan Forgiveness program with a State Workforce Incentive program

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)		X	
Mrs. DAVIS (CA)			X*	Mr. ROE (TN)		X	
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)		X	
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)		X	
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)		X	
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)		X	
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)		X	
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)		X	
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)		X	
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)		X	
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)		X	
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)		X	
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)		X	
Mr. MORELLE (NY)		X		Mr. CLINE (VA)		X	
Ms. WILD (PA)		X		Mr. FULCHER (ID)		X	
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)		X	
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)		X	
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)		X	
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)		X	
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)		X	
Ms. SHALALA (FL)		X		Mr. KELLER (PA)		X	
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)		X	
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 26 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 27 Bill: H.R. 4674 Amendment Number: 37

Disposition: defeated by a vote of 20-24

Sponsor/Amendment: Comer / Prohibits borrowers who commit crimes against children, as determined by the Secretary from receiving certain Loan Forgiveness

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)			X
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)			X	Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)			X	Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)			X	Mr. MEUSER (PA)			X^
Mrs. HAYES (CT)			X	Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 20 Nos: 24 Not Voting: 6

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/2019

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 28 Bill: H.R. 4674 Amendment Number: 38a

Disposition: adopted by a vote of 26-22

Sponsor/Amendment: Bonamici/ Aligns the requirements of the underlying amendment with Clery Act disclosure requirements

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)	X			Mrs. FOXX (NC) (Ranking)		X	
Mrs. DAVIS (CA)			X^	Mr. ROE (TN)		X	
Mr. GRIJALVA (AZ)	X			Mr. THOMPSON (PA)		X	
Mr. COURNTEY (CT)	X			Mr. WALBERG (MI)		X	
Ms. FUDGE (OH)	X			Mr. GUTHRIE (KY)		X	
Mr. SABLAN (MP)	X			Mr. BYRNE (AL)		X	
Ms. WILSON (FL)	X			Mr. GROTHMAN (WI)		X	
Ms. BONAMICI (OR)	X			Ms. STEFANIK (NY)		X	
Mr. TAKANO (CA)	X			Mr. ALLEN (GA)		X	
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)		X	
Mr. DESAULNIER (CA)	X			Mr. BANKS (IN)		X	
Mr. NORCROSS (NJ)	X			Mr. WALKER (NC)		X	
Ms. JAYAPAL (WA)	X			Mr. COMER (KY)		X	
Mr. MORELLE (NY)	X			Mr. CLINE (VA)		X	
Ms. WILD (PA)	X			Mr. FULCHER (ID)		X	
Mr. HARDER (CA)	X			Mr. TAYLOR (TX)		X	
Mrs. MCBATH (GA)	X			Mr. WATKINS (KS)		X	
Ms. SCHRIER (WA)	X			Mr. WRIGHT (TX)		X	
Ms. UNDERWOOD (IL)	X			Mr. MEUSER (PA)		X	
Mrs. HAYES (CT)	X			Mr. JOHNSON (SD)		X	
Ms. SHALALA (FL)	X			Mr. KELLER (PA)		X	
Mr. LEVIN (MI)	X			Mr. MURPHY (NC)		X	
Ms. OMAR (MN)	X						
Mr. TRONE (MD)	X						
Ms. STEVENS (MI)	X						
Mrs. LEE (NV)	X						
Mrs. TRAHAN (MA)	X						
Mr. CASTRO (TX)	X						

TOTALS: Ayes: 26 Nos: 22 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 29 Bill: H.R. 4674 Amendment Number: 39

Disposition: defeated by a vote of 22-26

Sponsor/Amendment: Comer/ Strikes requirements for institutions seeking religious exemptions to Title IX make disclosures to students

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)			X*	Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 26 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 30 Bill: H.R. 4674 Amendment Number: 40

Disposition: defeated by a vote of 23-25

Sponsor/Amendment: Johnson/ Mandates that at least one public member on the accreditation board represent business

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)			X*	Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)	X						
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 23 Nos: 25 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 31 Bill: H.R. 4674 Amendment Number: 42

Disposition: defeated by a vote of 22-26

Sponsor/Amendment: Johnson/Requires institutions to certify that any healthcare practitioner at a healthcare facility affiliated w/ the institution will provide medical care to infants born alive

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)			X*	Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 26 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 32 Bill: H.R. 4674 Amendment Number: 43
d

Disposition: defeated by a vote of 22-25

Sponsor/Amendment: Fulcher/Strikes the gainful employment provisions in the bill

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)			X*	Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)		X		Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)			X	Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 25 Not Voting: 3

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 33 Bill: H.R. 4674 Amendment Number: 44

Disposition: defeated by a vote of 22-26

Sponsor/Amendment: Walker/ Excludes 529 college savings plans from the asset calculation for the purposes of the FAFSA

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)		X	
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)			X*	Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)		X		Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)	X			Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)			X	Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 26 Not Voting: 3

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 34 Bill: H.R. 4674 Amendment Number: 46, 50 enbloc

Disposition: defeated by a vote of 22-24

Sponsor/Amendment: Cline (amend #46), Meuser (amend #50)

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)		X	
Mrs. DAVIS (CA)		X		Mr. ROE (TN)		X	
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)		X	
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)		X	
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)		X	
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)		X	
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)		X	
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)		X	
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)		X	
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)		X	
Mr. DESAULNIER (CA)			X*	Mr. BANKS (IN)		X	
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)		X	
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)		X	
Mr. MORELLE (NY)			X	Mr. CLINE (VA)		X	
Ms. WILD (PA)		X		Mr. FULCHER (ID)		X	
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)		X	
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)		X	
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)		X	
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)		X	
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)		X	
Ms. SHALALA (FL)			X	Mr. KELLER (PA)		X	
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)		X	
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 24 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 35 Bill: H.R. 4674 Amendment Number: 47

Disposition: defeated by a vote of 9-37

Sponsor/Amendment: Cline/Strikes changes to the federal student loan program and inserts the text of H.R. 4098, the Higher Education Reform and Opportunity (HERO) Act

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)		X	
Mrs. DAVIS (CA)		X		Mr. ROE (TN)		X	
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)		X	
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)		X	
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)		X	
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)		X	
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)		X	
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)		X	
Ms. ADAMS (NC)			X	Mr. SMUCKER (PA)		X	
Mr. DESAULNIER (CA)			X*	Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)			X	Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)		X	
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)		X	
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)		X	
Ms. SHALALA (FL)			X	Mr. KELLER (PA)		X	
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 9 Nos: 37 Not Voting: 4

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 36 Bill: H.R. 4674 Amendment Number: 48

Disposition: defeated by a vote of 22-26

Sponsor/Amendment: Watkins / Strikes requirement that accreditors have specific outcome benchmarks

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)			X*	Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)			X	Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 26 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 37 Bill: H.R. 4674 Amendment Number: 49

Disposition: defeated by a vote of 22-26

Sponsor/Amendment: Meuser/Eliminates the requirement that the Secretary enter a memorandum of understanding with the Consumer Financial Protection Bureau

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)			X*	Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)			X	Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 26 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 38 Bill: H.R. 4674 Amendment Number: 51

Disposition: defeated by a vote of 22-26

Sponsor/Amendment: Keller/ Strikes the proposed 85-15 rule from the substitute and underlying law

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)			X*	Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)			X	Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 26 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 39 Bill: H.R. 4674 Amendment Number: 52

Disposition: defeated by a vote of 22-26

Sponsor/Amendment: Keller/ Allows institutions to outsource up to 100 percent of educational programs to ineligible entities

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)			X*	Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)			X	Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 26 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 40 Bill: H.R. 4674 Amendment Number: 53

Disposition: defeated by a vote of 22-26

Sponsor/Amendment: Murphy / Adds a "sense of congress" that professors should remove their political biases from the classroom

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)		X		Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)		X		Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)		X		Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)		X		Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)		X		Mr. BYRNE (AL)	X		
Ms. WILSON (FL)		X		Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)		X		Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)		X		Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)		X		Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)			X*	Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)		X		Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)		X		Mr. COMER (KY)	X		
Mr. MORELLE (NY)			X	Mr. CLINE (VA)	X		
Ms. WILD (PA)		X		Mr. FULCHER (ID)	X		
Mr. HARDER (CA)		X		Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)		X		Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)		X		Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)		X		Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)		X		Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)		X		Mr. KELLER (PA)	X		
Mr. LEVIN (MI)		X		Mr. MURPHY (NC)	X		
Ms. OMAR (MN)		X					
Mr. TRONE (MD)		X					
Ms. STEVENS (MI)		X					
Mrs. LEE (NV)		X					
Mrs. TRAHAN (MA)		X					
Mr. CASTRO (TX)		X					

TOTALS: Ayes: 22 Nos: 26 Not Voting: 2

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/19

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 41 Bill: H.R. 4674 Amendment Number: 54

Disposition: adopted by a vote of 47-0

Sponsor/Amendment: Murphy / Requires institutions to disclose when non-instructional spending increases by more than 5 percent year-over-year

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)	X			Mrs. FOXX (NC) (Ranking)	X		
Mrs. DAVIS (CA)	X			Mr. ROE (TN)	X		
Mr. GRIJALVA (AZ)	X			Mr. THOMPSON (PA)	X		
Mr. COURNTEY (CT)	X			Mr. WALBERG (MI)	X		
Ms. FUDGE (OH)	X			Mr. GUTHRIE (KY)	X		
Mr. SABLAN (MP)	X			Mr. BYRNE (AL)	X		
Ms. WILSON (FL)	X			Mr. GROTHMAN (WI)	X		
Ms. BONAMICI (OR)	X			Ms. STEFANIK (NY)	X		
Mr. TAKANO (CA)	X			Mr. ALLEN (GA)	X		
Ms. ADAMS (NC)	X			Mr. SMUCKER (PA)	X		
Mr. DESAULNIER (CA)			X^	Mr. BANKS (IN)	X		
Mr. NORCROSS (NJ)	X			Mr. WALKER (NC)	X		
Ms. JAYAPAL (WA)	X			Mr. COMER (KY)			X
Mr. MORELLE (NY)			X	Mr. CLINE (VA)	X		
Ms. WILD (PA)	X			Mr. FULCHER (ID)	X		
Mr. HARDER (CA)	X			Mr. TAYLOR (TX)	X		
Mrs. MCBATH (GA)	X			Mr. WATKINS (KS)	X		
Ms. SCHRIER (WA)	X			Mr. WRIGHT (TX)	X		
Ms. UNDERWOOD (IL)	X			Mr. MEUSER (PA)	X		
Mrs. HAYES (CT)	X			Mr. JOHNSON (SD)	X		
Ms. SHALALA (FL)	X			Mr. KELLER (PA)	X		
Mr. LEVIN (MI)	X			Mr. MURPHY (NC)	X		
Ms. OMAR (MN)	X						
Mr. TRONE (MD)	X						
Ms. STEVENS (MI)	X						
Mrs. LEE (NV)	X						
Mrs. TRAHAN (MA)	X						
Mr. CASTRO (TX)	X						

TOTALS: Ayes: 47 Nos: 0 Not Voting: 3

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 10/31/2019

COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE

Roll Call: 42 Bill: H.R. 4674 Amendment Number: Motion

Disposition: Adopted by a vote of 28-22

Sponsor/Amendment: Davis/ to report to the House with an amendment and with the recommendation that the amendment be agreed to, and the bill as amended, do pass

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)	X			Mrs. FOXX (NC) (Ranking)		X	
Mrs. DAVIS (CA)	X			Mr. ROE (TN)		X	
Mr. GRIJALVA (AZ)	X			Mr. THOMPSON (PA)		X	
Mr. COURNTEY (CT)	X			Mr. WALBERG (MI)		X	
Ms. FUDGE (OH)	X			Mr. GUTHRIE (KY)		X	
Mr. SABLAN (MP)	X			Mr. BYRNE (AL)		X	
Ms. WILSON (FL)	X			Mr. GROTHMAN (WI)		X	
Ms. BONAMICI (OR)	X			Ms. STEFANIK (NY)		X	
Mr. TAKANO (CA)	X			Mr. ALLEN (GA)		X	
Ms. ADAMS (NC)	X			Mr. SMUCKER (PA)		X	
Mr. DESAULNIER (CA)	X			Mr. BANKS (IN)		X	
Mr. NORCROSS (NJ)	X			Mr. WALKER (NC)		X	
Ms. JAYAPAL (WA)	X			Mr. COMER (KY)		X	
Mr. MORELLE (NY)	X			Mr. CLINE (VA)		X	
Ms. WILD (PA)	X			Mr. FULCHER (ID)		X	
Mr. HARDER (CA)	X			Mr. TAYLOR (TX)		X	
Mrs. MCBATH (GA)	X			Mr. WATKINS (KS)		X	
Ms. SCHRIER (WA)	X			Mr. WRIGHT (TX)		X	
Ms. UNDERWOOD (IL)	X			Mr. MEUSER (PA)		X	
Mrs. HAYES (CT)	X			Mr. JOHNSON (SD)		X	
Ms. SHALALA (FL)	X			Mr. KELLER (PA)		X	
Mr. LEVIN (MI)	X			Mr. MURPHY (NC)		X	
Ms. OMAR (MN)	X						
Mr. TRONE (MD)	X						
Ms. STEVENS (MI)	X						
Mrs. LEE (NV)	X						
Mrs. TRAHAN (MA)	X						
Mr. CASTRO (TX)	X						

TOTALS: Ayes: 28 Nos: 22 Not Voting: 0

Total: 50 / Quorum: / Report:

(28 D - 22 R)

^Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

STATEMENT OF PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause (3)(c) of rule XIII of the Rules of the House of Representatives, the goals of H.R. 4674 are to lower the cost of college for students and families, to hold colleges accountable for students' success, and to give a new generation of students the opportunity to graduate on-time and transition to a successful career.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of H.R. 4674 establishes or reauthorizes a program of the Federal Government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

HEARINGS

Pursuant to section 103(i) of H. Res. 6 for the 116th Congress, the Committee held five legislative hearings reflected in the descriptive portions of this report, which were used to develop H.R. 4674.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

NEW BUDGET AUTHORITY AND CBO COST ESTIMATE

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974*, and pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, the Committee has received the following estimate for H.R. 4674 from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, December 10, 2019.

Hon. BOBBY SCOTT,
Chairman, Committee on Education and Labor,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4674, the College Affordability Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Justin Humphrey.

Sincerely,

PHILLIP L. SWAGEL,
Director.

Enclosure.

At a Glance

H.R. 4674, College Affordability Act

As ordered reported by the House Committee on Education and Labor on October 31, 2019

By Fiscal Year, Billions of Dollars	2020	2020-2024	2020-2029
Direct Spending (Outlays)	91.6	160.8	331.9
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	91.6	160.8	331.9
Spending Subject to Appropriation (Outlays)	*	148.9	not estimated

		Mandate Effects	
Statutory pay-as-you-go procedures apply?	Yes		
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	> $5 billion	Contains intergovernmental mandate?	Yes, Under Threshold
		Contains private-sector mandate?	Yes, Under Threshold

* = less than $50 million.

The bill would:

- Increase direct spending for federal student loan programs by $169.9 billion over the 2020–2029 period
- Increase direct spending for the Federal Pell Grant Program by $83.1 billion over the 2020–2029 period
- Increase direct spending for other higher education programs by $78.8 billion over the 2020–2029 period
- Amend and permanently reauthorize the discretionary portion of the Pell grant program, which would increase spending subject to appropriation by $85.4 billion over the 2020–2024 period

Estimated budgetary effects would primarily stem from:

- Amending repayment options for federal student loan programs, eliminating origination fees, creating a subsidized loan program for graduate students, and expanding eligibility for Public Service Loan Forgiveness
- Increasing the maximum Pell grant and indexing the total to inflation
- Appropriating funds for America's College Promise, a grant program that would require participating states to eliminate tuition and fees at public two-year institutions

Areas of significant uncertainty include:

- Projecting future enrollment in postsecondary education and participation in the federal student aid programs
- Anticipating responses of students, postsecondary education institutions, and states to changes in the bill
- Projecting future incomes of borrowers in income-driven repayment and interest rates on student loans

Bill summary: H.R. 4674 would reauthorize the Higher Education Act of 1965 and amend student and institutional eligibility for several major student aid programs, including the William D. Ford Federal Direct Loan Program and the Federal Pell Grant Program. The bill also would reauthorize funding for most other federal higher education programs.

Estimated Federal cost: The estimated budgetary effect of H.R. 4674 is shown in Table 1. The costs of the legislation fall within budget functions 050 (national defense) and 500 (education, training, employment, and social services).

TABLE 1.—ESTIMATED BUDGETARY EFFECTS OF H.R. 4674

	By fiscal year, billions of dollars—											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020–2024	2020–2029
Increases and Decreases (−) in Direct Spending												
Student Loans:												
Estimated Budget Authority	91.7	9.2	10.7	10.5	10.1	10.2	9.9	10.1	9.6	9.5	132.2	181.5
Estimated Outlays	89.8	6.9	9.6	9.5	9.3	9.2	9.1	9.1	8.8	8.7	125.1	169.9
Pell Grants:												
Estimated Budget Authority	*	4.6	6.2	7.6	9.0	10.4	11.9	13.7	15.3	17.1	27.4	95.9
Estimated Outlays	*	1.2	5.0	6.6	8.0	9.3	10.8	12.4	14.1	15.8	20.7	83.1
Other Mandatory Programs:												
Estimated Budget Authority	1.8	1.4	5.2	7.2	9.0	10.9	12.1	14.6	17.9	18.6	24.6	98.8
Estimated Outlays	1.8	−1.3	2.5	5.0	7.0	8.9	10.7	12.3	14.7	17.3	15.0	78.8
Total: Direct Spending:												
Estimated Budget Authority	93.5	15.2	22.1	25.3	28.1	31.5	34.0	38.4	42.9	45.2	184.2	376.2
Estimated Outlays	91.6	6.8	17.1	21.1	24.3	27.4	30.5	33.8	37.7	41.7	160.8	331.9
Increases in Spending Subject to Appropriation												
Pell Grants:												
Estimated Authorization	0	19.7	28.6	29.6	30.1	n.e.	n.e.	n.e.	n.e.	n.e.	108.0	n.e.
Estimated Outlays	0	5.1	21.8	28.8	29.7	22.3	0.3	n.e.	n.e.	n.e.	85.4	n.e.
Additional College Affordability Grants:												
Estimated Authorization	0.0	2.8	8.9	15.6	19.4	n.e.	n.e.	n.e.	n.e.	n.e.	46.7	n.e.
Estimated Outlays	0.0	0.6	3.5	8.9	14.7	14.4	3.7	1.0	n.e.	n.e.	27.6	n.e.
Other Discretionary Programs:												
Estimated Authorization	0.6	11.8	12.3	12.9	13.4	n.e.	n.e.	n.e.	n.e.	n.e.	50.9	n.e.
Estimated Outlays	*	1.7	9.6	11.7	12.9	11.6	2.4	0.8	n.e.	n.e.	35.9	n.e.
Total: Discretionary Spending:												
Estimated Authorization	0.6	34.2	49.8	58.0	63.0	n.e.	n.e.	n.e.	n.e.	n.e.	205.6	n.e.
Estimated Outlays	*	7.4	34.9	49.3	57.3	48.3	6.4	1.7	n.e.	n.e.	148.9	n.e.

Components may not sum to totals because of rounding; n.e. = not estimated; * = between −$50 million and $50 million.
Estimated outlays after 2024 are derived from authorizations prior to 2025.

Basis of estimate: For this estimate, CBO assumes that H.R. 4674 will be enacted by July 1, 2020, which coincides with the upcoming 2020–2021 academic year. CBO estimates that enacting the bill would increase direct spending by $91.6 billion in 2020, $160.8 billion over the 2020–2024 period, and $331.9 billion over the 2020 2029 period. CBO's estimates are based on analysis of data from a variety of sources, including the National Student Loan Data System, data on applications for federal student aid from the Department of Education, and the National Postsecondary Student Aid Study.

H.R. 4674 would reauthorize and create many discretionary programs for higher education through fiscal year 2026. Although almost all of the underlying authorizations have expired, many of the programs have continued to receive appropriations. Most of the authorizations would automatically be extended through 2027 under the General Education Provisions Act. The bill also would amend several other laws, including the U.S. Institute of Peace Act and the Tribally Controlled Colleges and Universities Assistance Act. CBO estimates that implementing H.R. 4674 would cost $148.9 billion over the 2020–2024 period, assuming appropriation of the necessary amounts. The largest amount ($85.4 billion) would result

from reauthorizing and amending the discretionary portion of the Pell grant program.

Direct spending: CBO estimates that over the 2020–2029 period, enacting H.R. 4674 would increase direct spending by $331.9 billion.

Federal student loan programs. The federal government provides loans to undergraduate and graduate students and to the parents of undergraduates under the William D. Ford Direct Loan Program, which was created in 1994. The government serves as the lender for all borrowers but contracts with private entities to service the loans.[1] CBO estimates that in fiscal year 2020, the federal government will make about 16 million new loans to students and parents, totaling about $100 billion. Under the technical and economic assumptions that underlie CBO's May 2019 baseline, we project that mandatory and discretionary spending for the federal student loan programs will total $31.5 billion over the 2019–2029 period.[2]

As required by the Federal Credit Reform Act of 1990 (FCRA), CBO estimates most of the costs of the federal student loan programs on a net-present-value basis. A present value is a single number that expresses a flow of current and future payments in terms of an equivalent lump sum received or paid today. Under credit reform, the present value of all loan-related cash flows is calculated by discounting those expected cash flows to the year of disbursement, using the rates for comparable maturities on Treasury securities. (For example, cash flow for a one-year loan is discounted using the rate for a one-year, zero-coupon Treasury note.)[3] As required by FCRA, changes to the estimated costs of outstanding student loans are shown in the year of enactment; for this estimate, CBO assumes H.R. 4674 will be enacted in fiscal year 2020. The costs for the federal administration of student loans are estimated on a cash basis. The major provisions affecting direct spending for student loans are described below. In total direct spending for those loans would total $169.9 billion over the 2020–2029 period.

Borrowers' (Student and Parents) Repayment Options. Under current law, borrowers select a loan repayment plan from the following options:

- Standard (or default) repayment plan—borrowers under the standard repayment plan make fixed monthly payments for 10 years.
- Extended repayment or consolidation plans—in certain circumstances, borrowers may extend the repayment of a loan for up to 30 years.

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[1] Before July 1, 2010, the federal government also provided loan guarantees to financial institutions for student loans made through the Federal Family Education Loan Program. The Health Care and Education Reconciliation Act of 2010 required loans originated after July 1, 2010, to be in the direct loan program.

[2] See also *Student Loan Programs—CEO's May 2019 Baseline.* https://www.cbo.gov/system/files/2019-05/51310-2019-05-studentloan.pdf.

[3] A second approach to estimating the costs of federal credit programs is called fair value. Fair value estimates are based on market values—market prices when those prices are available or approximations of market prices when directly comparable figures are unavailable—which more fully account for the cost of the risk the government takes on in its credit programs. To account for that risk, CBO discounts the same projected cash flows as under FCRA but uses a market-based discount rate. CBO has not completed an estimate of the loan provisions in H.R. 4674 using fair value estimating procedures. For more details on fair-value accounting, see Congressional Budget Office, Fair-Value Estimates of the Cost of Federal Credit Programs in 2019 (June 2018) www.cbo.gov/publication/54095.

- Income-driven repayment (IDR) plans—student borrowers may use these plans, such as the PAYE (Pay as You Earn) Repayment Plan and the REPAYE (Revised Pay as You Earn) Repayment Plan, to make monthly payments. Those payments are calculated as a percentage of income, and borrowers usually make payments for 20 or 25 years, with total forgiveness of outstanding balances at the end of that term. Payments for most new borrowers are set at 10 percent of discretionary income, and there is no limit on the amount that may be forgiven. Parent borrowers can only use the Income-Contingent Repayment Plan, which requires higher payments for a longer period of time than most income-driven repayment plans for students.

H.R. 4674 would eliminate those repayment plans and replace them with two new plans: a fixed-repayment plan (the default plan) and an income-driven repayment plan. Current borrowers could remain in their plan or switch into one of the two new plans.

Under the bill, the fixed-repayment plan would allow borrowers to make monthly payments for 10, 15, 20, or 25 years, depending on the amount of their debt when entering repayment.

Under the income-driven repayment plan, borrowers would pay 10 percent of their discretionary income, defined as any amount above 250 percent of the federal poverty level.[4] That percentage would be reduced by 10 percentage points for every $1,000 that single borrowers' adjusted gross income exceeded $80,000 or for every $2,000 that married borrowers' income exceeded $160,000. Any loan balance remaining after 20 years would be forgiven.

Based on borrower data from the NSLDS and income projections derived from the CBO Long-Term model, CBO estimates that amending the repayment plans would increase direct spending by $42.0 billion for student borrowers and by $26.8 billion for parent borrowers over the 2020–2029 period (see Table 2). CBO expects that the majority of that increase would be for outstanding student loans because borrowers with lower incomes (who are most likely to see lower payments and more forgiveness of outstanding balances) would probably switch into the new income-driven repayment plan. However, as borrowers' incomes rise over time and more borrowers exceed the income at which reductions in the discretionary income level occur, CBO expects that the costs of the new IDR plans would decline.

Table 2.—ESTIMATED EFFECTS ON DIRECT SPENDING OUTLAYS UNDER H.R. 4674

	By fiscal year, billions of dollars—											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020–2024	2020–2029
Federal Student Loans												
Student Repayment Options	43.0	1.5	1.0	0.5	0.5	−0.5	−0.5	−1.0	−1.0	−1.5	46.5	42.0
Parent Repayment Options	8.2	2.1	2.1	2.1	2.2	2.1	2.1	2.0	2.0	2.0	16.6	26.8
Subsidized Graduate Loan Program	0.0	1.4	2.3	2.4	2.4	2.5	2.6	2.7	2.7	2.8	8.5	21.8
Origination Fees	0.0	0.8	1.6	1.9	2.0	2.1	2.2	2.3	2.3	2.4	6.4	17.7
PSLF for Borrowers Who Consolidate	16.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.0	16.0

[4] In 2019, the federal poverty level is $12,490 for a single person or $25,750 for a family of four.

TABLE 2.—ESTIMATED EFFECTS ON DIRECT SPENDING OUTLAYS UNDER H.R. 4674—Continued

	By fiscal year, billions of dollars—											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020–2024	2020–2029
Borrower Defense to Repayment Rule	0.5	1.1	1.3	1.4	1.4	1.4	1.5	1.6	1.6	1.7	5.7	13.5
Refinancing Loans:												
Federal Loans	13.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.3	13.3
Private Loans	*	−2.5	−1.2	−1.0	−0.3	*	*	*	*	*	−5.0	−5.0
Administrative Costs	*	*	*	*	*	*	*	*	*	*	0.1	0.3
Other Loan Policies and Interactions	8.8	2.5	2.4	2.2	1.0	1.5	1.2	1.6	1.2	1.3	17.0	23.6
Subtotal	89.8	6.9	9.6	9.5	9.3	9.2	9.1	9.1	8.8	8.7	125.1	169.9
Pell Grants												
Increase the Mandatory Add-on	0.0	1.0	4.0	5.2	6.4	7.6	8.9	10.4	11.9	13.5	16.5	68.7
Other Pell Grant Policies and Interactions	*	0.2	1.0	1.4	1.6	1.7	1.9	2.0	2.2	2.3	4.3	14.4
Subtotal	*	1.2	5.0	6.6	8.0	9.3	10.8	12.4	14.1	15.8	20.7	83.1
Other Mandatory Programs												
America's College Promise[a]	0.0	0.3	1.6	3.2	4.5	6.2	7.9	9.4	11.8	14.3	9.7	59.3
Other Mandatory Porgram Policies	1.8	−1.6	0.9	1.8	2.5	2.7	2.8	2.8	2.9	2.9	5.4	19.5
Subtotal	1.8	−1.3	2.5	5.0	7.0	8.9	10.7	12.3	14.7	17.3	15.0	78.8
Total, Direct Spending	91.6	6.8	17.1	21.1	24.3	27.4	30.5	33.8	37.7	41.7	160.8	331.9

Components may not sum to totals because of rounding; PSLF = Public Service Loan Forgiveness; * = between −$50 million and $50 million.

[a] CBO estimates this provision would increase direct spending for Pell grants by $900 million and decrease spending on student loans by $1.1 billion over the 2021 2029 period. Those totals are included above under the headings for ''Federal Student Loans'' and ''Pell grants.''

Subsidized Graduate Loan Program. Under current law, graduate students can borrow up to $20,500 annually in unsubsidized loans, which accrue interest from the date of origination. Under H.R. 4674, borrowers attending public and private, not-for-profit institutions would be eligible to borrow up to $8,500 of that annual amount in subsidized loans, which would not accrue interest while the borrower is enrolled at least half-time or during certain periods of deferment.

Under current law, CBO projects that graduate students will incur about $340 billion worth of loans over the 2021–2029 period. Based on the amount of borrowing in the subsidized loan program for graduate students that existed until 2012, CBO expects that approximately 35 percent of that projected loan amount would move to the subsidized loan program. As a result, CBO estimates this provision would increase direct spending by $21.8 billion over the 2021–2029 period.

Origination Fees. Under current law, borrowers with subsidized and unsubsidized loans pay an origination fee of 1 percent of the loan amount. The fee for parent and GradPLUS loans is 4 percent.[5] H.R. 4674 would eliminate all origination fees, which increases the cost of those loans, resulting in an increase in direct spending of $17.7 billion over the 2021–2029 period, CBO estimates.

[5] The Budget Control Act of 2011 requires automatic reductions in the cost of certain mandatory programs. For student loans, the savings are achieved by increasing origination fees above the percentages specified in the Higher Education Act. The origination fees described in the text do not include this additional amount.

Public Service Loan Forgiveness for Borrowers who Consolidate. Under current law, to be eligible for the Public Service Loan Forgiveness (PSLF) Program, borrowers' loans must be in the federal direct loan program and a borrower must be making payments to an eligible repayment plan, such as an income-driven repayment plan. Borrowers who have Family Federal Education Loans or who are making payments in extended repayment or other repayment plans are not eligible for the program.

H.R. 4674 would allow borrowers who consolidate their loans under one of the new repayment plans to count their previous payments under other prepayment plans toward the 120 payments required for PSLF. Using data from the Government Accountability Office and information about borrowers who have certified their employment for the PSLF Program, CBO estimates that enacting the provision would increase direct spending by $16.0 billion in 2020 because it would change the cost of outstanding loans.

Borrower Defense to Repayment Rule. Under current law, borrowers who demonstrate financial harm from an institution's false or misleading statements may apply to have their loans discharged under what is known as the borrower defense to repayment.

H.R. 4674 would expand eligibility to borrowers who have attended an institution that made a substantial misrepresentation and allow a legal representative to bring defense claims on behalf of a group of borrowers. Based on the loan volume at schools that are under investigation for cases that could fall under borrower defense to repayment, CBO estimates that enacting those provisions would increase direct spending by $13.5 billion over the 2020–2029 period.

Refinancing Loans. Under H.R. 4674, eligible borrowers could apply to have the Department of Education refinance outstanding federal direct or guaranteed student loans or private loans at interest rates specified in the bill. The interest rates under the policy would be equal to the interest rates that apply to new federal loans issued in academic year 2019–2020. The department would have the authority to limit refinancing to borrowers who meet income requirements or debt-to-incomeratios that it established. For private loans, the bill would prohibit borrowers from refinancing any loan that is in default and require that borrowers be current on their payments for the previous six months.

According to the Department of Education, the total amount in outstanding federal student loans or loan guarantees stands at nearly $1.5 trillion. More than three-quarters of the federal student loan volume is in federal direct loans; the remainder is for federally guaranteed loans issued before July 1, 2010. Using data from the National Student Loan Data System, CBO estimates that borrowers who account for about 40 percent of the outstanding loan volume would not benefit from refinancing because the interest rates on many recently originated federal loans are lower than or equal to those specified in the bill. CBO expects that more than half of the outstanding loans that would benefit would be refinanced, but borrowers' participation would be greatest for loans with higher current interest rates and more years left to repay. The federal government would receive less in interest income over the life of loans that were refinanced at lower rates. In total, CBO

estimates that allowing students to refinance federal direct and guaranteed loans would increase direct spending by $13.3 billion.

According to MeasureOne, a private-sector firm that analyzes education data, about $123 billion is currently outstanding in private student loans that are not federally guaranteed. CBO estimates that a little less than half of that loan volume would be refinanced under the bill, and using the procedures specified in FCRA to estimate the cost of loans, CBO estimates that the interest earned by the government on those loans would be greater than the cost to finance them on a net-present-value basis. Accordingly, CBO estimates that borrowers' refinancing of those private student loans would reduce direct spending by $5.0 billion over the 2020–2029 period for those administrative costs.

The cost of administering formerly private and guaranteed student loans would create additional mandatory spending, which is recorded on a cash basis. Based on the costs of administering existing loans, CBO estimates that direct spending would increase by $250 million over the 2020–2029 period.

Other Loan Policies and Interactions. H.R. 4674 would make other changes to federal student loan programs, including amending the list of professions that would make borrowers eligible for the PSLF Program, reducing the instances in which outstanding interest is capitalized (added to the loan's principal to determine interest owed), and automatically discharging loans for borrowers who attended an institution that closed while they were enrolled. CBO estimates that those changes would increase direct spending by $16.1 billion over the 2020–2029 period. Interactions among all the numerous provisions related to student loans would increase direct spending by an additional $7.5 billion.

Federal Pell grant program: The Pell grant program was created in 1972 to provide need-based grants to postsecondary undergraduate students. Pell grants are not repaid by students, and they constitute the largest source of federal grant aid for postsecondary education. In the upcoming academic year 2019–2020, CBO projects that 7.1 million students will receive Pell grants that average $4,200 each, at a total federal cost of about $30 billion.

Although Pell grants are paid for in part with direct spending, their funding is mainly provided in annual discretionary appropriations with a mandatory set-aside that supports the discretionary portion of the Pell grant program.[6] Additional direct spending is provided automatically on the basis of a formula to support a " mandatory add-on" that increases the award amount above the maximum set in the annual appropriation act. For the 2020–2021 academic year, which begins July 1, 2020, the total maximum grant will be $6,195. Of that, $5,135 will be supported with discretionary funds and the mandatory set-aside, and $1,060 will be supported through the mandatory add-on. Those awards are the amounts that were the grant levels in the 2019–2020 academic year. The current continuing resolution (Public Law 116–69) will expire on December 20, 2019. However, because CBO scores continuing resolutions on an annualized basis, CBO has assumed that those award amounts will be the same for the 2020–2021 academic year.

[6] Provided in section 401(b)7(A)(iv) of the Higher Education Act.

Because funding for Pell grants comes from mandatory and discretionary sources, the budgetary effects of changes made to Pell grants in H.R. 4674 are discussed in two sections of this estimate. Changes to the mandatory add-on are discussed in this section, and discretionary-funding effects are discussed under "Spending Subject to Appropriation."

Increase the Mandatory Add-On. H.R. 4674 would increase the mandatory add-on by $625 (raising the grant amount from $1,060 to $1,685) to increase the 2021 total maximum Pell grant to $6,820. Beginning in 2022, the total maximum grant would increase annually with inflation, and any required change would be reflected by an increase in the mandatory add-on award. In 2029, CBO estimates that the total maximum award would be $8,250; the average award would increase by $1,420 (or about 33 percent). In addition to increasing the average award, CBO estimates that enacting this provision would increase the number of grant recipients in 2029 by about 390,000 and would increase direct spending by $68.7 billion over the 2020–2029 period.

Other Pell Grant Policies and Interactions. H.R. 4674 would make several other changes to the Pell grant program that, in general, would expand eligibility (and thus increase the number of recipients) or increase award amounts. The bill would provide grants to previously ineligible students who meet certain criteria and are enrolled in nonproprietary institutions. That group includes graduate students, incarcerated students, and students enrolled in short-term programs. H.R. 4674 also would change the Free Application for Federal Student Aid, the application process, the formula for determining eligibility, and lifetime eligibility.

H.R. 4674 also would place new regulations on proprietary schools, which CBO estimates would reduce the number of recipients.

CBO estimates that considered together, including America's College Promise (as described below), these other provisions would increase the number of Pell grant recipients by about 1 million (or 11 percent) in 2029 and increase direct spending by $6.8 billion over the 2020–2029 period. Interactions among all the numerous provisions related to Pell grants would further increase direct spending by $7.6 billion.

In total, CBO estimates that implementing H.R. 4674 would increase the number of Pell grant recipients by 1.4 million in 2029, or 16 percent, and increase direct spending by $83.1 billion over the 2020–2029 period.

Other mandatory programs: In addition to Pell grants, H.R. 4674 would amend and extend funding for current and expired mandatory programs and appropriate funding for several new grant programs, the largest of which is the America's College Promise grant program.

America's College Promise. Beginning in 2021, H.R. 4674 would appropriate specified amounts for annual grants to help states eliminate resident tuition and fees at public two-year institutions. All told, $75 billion would be provided over the 2021–2029 period, of which CBO estimates $59 billion would be spent. Ultimately, CBO estimates, most states would participate in the grant program.

CBO assumes that the elimination of tuition and fees at two-year institutions also would indirectly affect other federal spending on education. CBO estimates that this provision would increase spending for Pell grants because eliminating tuition and fees at these institutions would cause more students to enroll and some of them would be eligible for Pell grants. However spending for student loans would decrease because the elimination of tuition and fees would result in less borrowing. CBO estimates that as a result of this provision, federal costs for the mandatory portion of the Pell grant program would increase by about $900 million over the 2021–2029 period and that direct spending on student loans would be reduced by $1.1 billion over that period.

Other Mandatory Program Policies. H.R. 4674 would increase direct spending for various other programs. For example, it would amend the TEACH grant program; extend funding for existing but expired mandatory grant programs, including those for Historically Black Colleges and Universities and minority-serving institutions; and create new programs, such as the Institutional Pell Bonuses program. CBO estimates that those provisions would increase direct spending by $19.5 billion over the 2021–2029 period.

Spending subject to appropriation: CBO estimates that implementing H.R. 4674 would cost $148.9 billion over the 2020–2024 period, assuming appropriation of the necessary amounts—$205.6 billion—and spending consistent with historical patterns.

The bulk of that spending would be for the Federal Pell Grant Program ($85.4 billion over the 2020–2024 period) and grants to support students' unmet need ($27.6 billion over the 2020–2024 period). In addition, the bill would authorize funds for other grant programs for post-secondary students and institutions.

Federal Pell grant program: The Pell grant program is by far the largest grant program authorized by the Higher Education Act, and although it receives some mandatory funding, most spending for the program is subject to annual appropriation. As shown in Table 3, CBO estimates that H.R. 4674 would cost $85.4 billion over the 2020–2024 period.

Beginning in fiscal year 2021, H.R. 4674 would permanently authorize the appropriation of such sums as may be necessary for the Pell grant program. CBO estimates that reauthorizing the program with no other changes would require the appropriation of $91.4 billion with resulting outlays of $72.2 billion over the 2020–2024 period. (The estimated cost of this reauthorization represents the cost of the discretionary program—under the assumption that the maximum grant would be $5,135—minus previously appropriated funds and mandatory funds that support the discretionary portion of the Pell grant program provided in section 401(b)7(A)(iv) of the Higher Education Act of 1965.) Because the maximum student award under the discretionary portion of the program is set in annual appropriation acts, CBO assumes that the maximum award that is funded with discretionary spending would be $5,135 in each year over the 2020–2029 period. That is the amount in the most recent appropriation act and CBO has no basis for estimating a different amount in future years.

The bill would make other changes to Pell grants (see Federal Pell Grant Program under the "Direct Spending" heading). CBO es-

timates that the total additional discretionary cost of implementing those provisions would be $13.3 billion over the 2020–2024 period.

Additional college affordability grants: H.R. 4674 would authorize the appropriation of whatever amounts are necessary to fund the federal share of grants to states to cover eligible students' unmet need or finance tuition waivers. Unmet need is defined as the cost of college attendance, after accounting for expected family contribution and all grant aid. Grants would only be provided to states that have provided all eligible grants under the bill's America's College Promise program for community college grants.

TABLE 3.—SPENDING SUBJECT TO APPROPRIATION IN H.R. 4674, BY TITLE

	By fiscal year, millions of dollars—					
	2020	2021	2022	2023	2024	2020–2024
Increases in Spending Subject to Appropriation						
Title IV: Student Assistance:						
Pell Grants						
Estimated Authorization	0	19,660	28,626	29,592	30,121	108,000
Estimated Outlays	0	5,115	21,795	28,787	29,718	85,415
Additional College Affordability Grants						
Estimated Authorization	0	2,812	8,888	15,558	19,439	46,698
Estimated Outlays	0	562	3,465	8,866	14,697	27,590
Other						
Estimated Authorization	0	7,745	8,222	8,713	9,198	33,877
Estimated Outlays	0	1,381	6,592	7,894	8,744	24,610
Title III: Institutional Aid:						
Estimated Authorization	0	1,194	1,223	1,253	1,282	4,953
Estimated Outlays	0	62	873	1,109	1,244	3,289
Title VII: Graduate and Postsecondary Improvement Programs:						
Estimated Authorization	0	1,108	1,102	1,106	1,111	4,426
Estimated Outlays	0	58	808	1,004	1,106	2,976
Title II: Teacher Quality Enhancement:						
Estimated Authorization	569	624	637	650	664	3,144
Estimated Outlays	30	125	559	629	646	1,989
Title V: Developing Institutions:						
Estimated Authorization	0	465	476	488	500	1,930
Estimated Outlays	0	24	340	432	485	1,281
Title X: Amendments to Other Laws:						
Estimated Authorizations	0	325	329	332	335	1,321
Estimated Outlays	0	17	238	299	331	884
Title VIII: Additional Programs:						
Estimated Authorization	0	177	177	178	178	710
Estimated Outlays	0	9	129	161	178	478
Title VI: International Education Programs:						
Estimated Authorization	0	125	128	131	134	519
Estimated Outlays	0	7	91	116	130	344
Title I: General Provisions:						
Authorization Level	0	15	15	15	15	60
Estimated Outlays	0	1	11	14	15	40
Total:						
Estimated Authorization	569	34,250	49,824	58,017	62,978	205,637
Estimated Outlays	30	7,360	34,901	49,312	57,293	148,896

Components may not sum to totals because of rounding.

Participating states could receive federal assistance to cover the umnet need of eligible students enrolled at least half-time in in-state public, two- or four-year institutions. After providing grants to students at public institutions, states could expand the grant program to cover the unmet need of students at nonprofit private institutions in the state.

For this estimate, CBO assumes that, over the next five years, states would choose to cover the unmet need of Pell grant recipients, as prioritized in the bill, but would not provide further grants for other students in the state, cover tuition waivers, or expand the grant program to private institutions. CBO estimates that implementing this provision would require the appropriation of $46.7 billion over the 2020–2024 period and would cost $27.6 billion over the same period.

Other spending subject to appropriation: H.R. 4674 also would amend and extend the authorizations for many existing programs under the Higher Education Act and other acts, such as the Tribally Controlled Colleges and Universities Act, and authorize new programs. As shown in Table 1, CBO estimates that implementing the bill would require appropriation of $50.9 billion over the 2020–2024 period, which CBO estimates would increase spending by $35.9 billion over the same period. Table 3 shows CBO's estimates of spending subject to appropriation by title.

Uncertainty: CBO's budgetary estimates are uncertain for a variety of reasons. For example, the ways in which students, institutions of higher education, federal agencies, and states would respond to this bill's provisions are all difficult to predict. In producing these estimates, CBO has tried to estimate outcomes that are likely to be roughly correct on average.

In fact, CBO's projections for current-law spending also are uncertain. For example, in 2017, the first group of student borrowers became eligible for the Public Service Loan Forgiveness Program. But data about that group are limited and therefore cannot yet be used to confidently project future participation. Actual participation, and the resulting budgetary changes from expanding the PSLF program, may be higher or lower than CBO's estimates.

Changes to the underlying economy also could significantly affect the bill's costs. Fluctuationsin interest rates, for example, would change the cost of the student loan program and a sudden change in rates of employment could affect postsecondary enrollment or the income of borrowers in income-driven repayment programs, which would increase or decrease the cost of all federal student aid.

Despite that uncertainty in CBO's assessment, the direction of the budgetary effects of most of the bill's provisions is clear. For example, the changes to the federal student loan programs and the Pell grant program would, on net, almost certainly increase federal costs by a very significant amount.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in Table 4.

TABLE 4.—CBO'S ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS OF H.R. 4674, THE COLLEGE AFFORDABILITY ACT, AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON EDUCATION AND LABOR ON OCTOBER 31, 2019

	By fiscal year, billions of dollars—											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020–2024	2020–2029
	Net Increase in the Deficit											
Pay-As-You-Go Effect	91.6	6.8	17.1	21.1	24.3	27.4	30.5	33.8	37.7	41.7	160.8	331.9

Increase in long-term deficits: CBO estimates that enacting H.R. 4674 would increase on-budget deficits by more than $5 billion in all of the four coqsecutive 10-year periods beginning in 2030.

Mandates: H.R. 4674 contains intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the aggregate cost of complying with the mandates would fall below the annual thresholds established in UMRA ($82 million and $164 million, respectively, in 2019, adjusted annually for inflation).

Mandate that applies both to public and to private entities: The bill would require institutions of higher education to establish an office of accessibility. That office would provide information to students with disabilities about their legal rights and accommodations provided by the school, and specify the documentation needed to establish that a student is a person with a disability.

Under current law, all institutions of higher education must provide accommodations to students with disabilities. Further, universities that receive federal funding are required to appoint a coordinator for disability services. CBO expects that institutions receiving federal assistance would incur minimal costs to comply with the bill' s requirement to establish an office that centralizes activities already taking place. Institutions that do not receive federal assistance may incur higher costs to establish an office of accessibility; however, using information from industry sources, CBO estimates that the number of affected institutions would be very small.

Mandate that applies to private entities only: The bill would require financial institutions to report to federal agencies and the Congress information related to their portfolio of education loans. Lenders already provide most of the information to credit bureaus and other private data repositories; therefore, CBO estimates the cost to comply with the new reporting requirement would be small.

Estimate prepared by: Federal Costs: Tia Caldwell, Paul Holland, Justin Humphrey, Arin Kerstein, Leah Koestner, and Emily Stern; Mandates: Lilia Ledezma.

Estimate reviewed by: Sheila Dacey, Chief, Income Security and Education Cost Estimates Unit; Susan Willie, Chief, Mandates Unit; H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis; Theresa Gullo, Assistant Director for Budget Analysis.

COMMITTEE COST ESTIMATE

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 4674. However, clause 3(d)(2)(B) of that rule provides that this requirement does not

apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the *Congressional Budget Act of 1974*.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, H.R. 4674, as reported, are shown as follows:

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

HIGHER EDUCATION ACT OF 1965

* * * * * * *

TITLE I—GENERAL PROVISIONS

PART A—DEFINITIONS

* * * * * * *

SEC. 102. DEFINITION OF INSTITUTION OF HIGHER EDUCATION FOR PURPOSES OF TITLE IV PROGRAMS.

(a) DEFINITION OF INSTITUTION OF HIGHER EDUCATION FOR PURPOSES OF TITLE IV PROGRAMS.—

(1) INCLUSION OF ADDITIONAL INSTITUTIONS.—Subject to paragraphs (2) through (4) of this subsection, the term "institution of higher education" for purposes of title IV includes, in addition to the institutions covered by the definition in section 101—

(A) a proprietary institution of higher education (as defined in subsection (b) of this section);

(B) a postsecondary vocational institution (as defined in subsection (c) of this section); and

(C) only for the purposes of part D of title IV, an institution outside the United States that is comparable to an institution of higher education as defined in section 101 and that has been approved by the Secretary for the purpose of part D of title IV, consistent with the requirements of section 452(d).

(2) INSTITUTIONS OUTSIDE THE UNITED STATES.—

(A) IN GENERAL.—For the purpose of qualifying as an institution under paragraph (1)(C), the Secretary shall establish criteria by regulation for the approval of institutions outside the United States and for the determination that such institutions are comparable to an institution of higher education as defined in section 101 (except that a graduate medical school, nursing school, or a veterinary school, lo-

cated outside the United States shall not be required to meet the requirements of section 101(a)(4)). Such criteria shall include a requirement that a student attending such school outside the United States is ineligible for loans made under part D of title IV unless—

(i) except as provided in subparagraph (B)(iii)(IV), in the case of a graduate medical school located outside the United States—

(I)(aa) at least 60 percent of those enrolled in, and at least 60 percent of the graduates of, the graduate medical school outside the United States were not persons described in section ⟦484(a)(5)⟧ *484(a)(2)* in the year preceding the year for which a student is seeking a loan under part D of title IV; and

(bb) at least 75 percent of the individuals who were students or graduates of the graduate medical school outside the United States or Canada (both nationals of the United States and others) taking the examinations administered by the Educational Commission for Foreign Medical Graduates received a passing score in the year preceding the year for which a student is seeking a loan under part D of title IV; or

(II) the institution—

(aa) has or had a clinical training program that was approved by a State as of January 1, 1992; and

(bb) continues to operate a clinical training program in at least one State that is approved by that State;

(ii) in the case of a veterinary school located outside the United States that does not meet the requirements of section 101(a)(4), the institution's students complete their clinical training at an approved veterinary school located in the United States; or

(iii) in the case of a nursing school located outside of the United States—

(I) the nursing school has an agreement with a hospital, or accredited school of nursing (as such terms are defined in section 801 of the Public Health Service Act (42 U.S.C. 296)), located in the United States that requires the students of the nursing school to complete the students' clinical training at such hospital or accredited school of nursing;

(II) the nursing school has an agreement with an accredited school of nursing located in the United States providing that the students graduating from the nursing school located outside of the United States also receive a degree from the accredited school of nursing located in the United States;

(III) the nursing school certifies only Federal Direct Stafford Loans under section 455(a)(2)(A),

Federal Direct Unsubsidized Stafford Loans under section 455(a)(2)(D), or Federal Direct PLUS Loans under section 455(a)(2)(B) for students attending the institution;

(IV) the nursing school reimburses the Secretary for the cost of any loan defaults for current and former students included in the calculation of the institution's cohort default rate during the previous fiscal year; and

(V) not less than 75 percent of the individuals who were students or graduates of the nursing school, and who took the National Council Licensure Examination for Registered Nurses in the year preceding the year for which the institution is certifying a Federal Direct Stafford Loan under section 455(a)(2)(A), a Federal Direct Unsubsidized Stafford Loan under section 455(a)(2)(D), or a Federal Direct PLUS Loan under section 455(a)(2)(B), received a passing score on such examination.

(B) ADVISORY PANEL.—

(i) IN GENERAL.—For the purpose of qualifying as an institution under paragraph (1)(C) of this subsection, the Secretary shall establish an advisory panel of medical experts that shall—

(I) evaluate the standards of accreditation applied to applicant foreign medical schools; and

(II) determine the comparability of those standards to standards for accreditation applied to United States medical schools.

(ii) SPECIAL RULE.—If the accreditation standards described in clause (i) are determined not to be comparable, the foreign medical school shall be required to meet the requirements of section 101.

(iii) REPORT.—

(I) IN GENERAL.—Not later than 1 year after the date of enactment of the Higher Education Opportunity Act, the advisory panel described in clause (i) shall submit a report to the Secretary and to the authorizing committees recommending eligibility criteria for participation in the loan programs under part D of title IV for graduate medical schools that—

(aa) are located outside of the United States;

(bb) do not meet the requirements of subparagraph (A)(i); and

(cc) have a clinical training program approved by a State prior to January 1, 2008.

(II) RECOMMENDATIONS.—In the report described in subclause (I), the advisory panel's eligibility criteria shall include recommendations regarding the appropriate levels of performance for graduate medical schools described in such subclause in the following areas:

(aa) Entrance requirements.

(bb) Retention and graduation rates.

(cc) Successful placement of students in United States medical residency programs.

(dd) Passage rate of students on the United States Medical Licensing Examination.

(ee) The extent to which State medical boards have assessed the quality of such school's program of instruction, including through on-site reviews.

(ff) The extent to which graduates of such schools would be unable to practice medicine in 1 or more States, based on the judgment of a State medical board.

(gg) Any areas recommended by the Comptroller General of the United States under section 1101 of the Higher Education Opportunity Act.

(hh) Any additional areas the Secretary may require.

(III) MINIMUM ELIGIBILITY REQUIREMENT.—In the recommendations described in subclause (II), the criteria described in subparagraph (A)(i)(I)(bb), as amended by section 102(b) of the Higher Education Opportunity Act, shall be a minimum eligibility requirement for a graduate medical school described in subclause (I) to participate in the loan programs under part D of title IV.

(IV) AUTHORITY.—The Secretary may—

(aa) not earlier than 180 days after the submission of the report described in subclause (I), issue proposed regulations establishing criteria for the eligibility of graduate medical schools described in such subclause to participate in the loan programs under part D of title IV based on the recommendations of such report; and

(bb) not earlier than one year after the issuance of proposed regulations under item (aa), issue final regulations establishing such criteria for eligibility.

(C) FAILURE TO RELEASE INFORMATION.—The failure of an institution outside the United States to provide, release, or authorize release to the Secretary of such information as may be required by subparagraph (A) shall render such institution ineligible for the purpose of part D of title IV.

(D) SPECIAL RULE.—If, pursuant to this paragraph, an institution loses eligibility to participate in the programs under title IV, then a student enrolled at such institution may, notwithstanding such loss of eligibility, continue to be eligible to receive a loan under part D of title IV while attending such institution for the academic year suc-

ceeding the academic year in which such loss of eligibility occurred.

(3) LIMITATIONS BASED ON COURSE OF STUDY OR ENROLLMENT.—An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—

(A) offers more than 50 percent of such institution's courses by correspondence (excluding courses offered by telecommunications as defined in section 484(l)(4)), unless the institution is an institution that meets the definition in section 3(3)(C) of the Carl D. Perkins Career and Technical Education Act of 2006;

(B) enrolls 50 percent or more of the institution's students in correspondence courses (excluding courses offered by telecommunications as defined in section 484(l)(4)), unless the institution is an institution that meets the definition in such section, except that the Secretary, at the request of such institution, may waive the applicability of this subparagraph to such institution for good cause, as determined by the Secretary in the case of an institution of higher education that provides a 2- or 4-year program of instruction (or both) for which the institution awards an associate or baccalaureate degree, respectively;

(C) has a student enrollment in which more than 25 percent of the students are incarcerated, except that the Secretary may waive the limitation contained in this subparagraph for a nonprofit institution that provides a 2- or 4-year program of instruction (or both) for which the institution awards a bachelor's degree, or an associate's degree or a postsecondary diploma, respectively; or

(D) has a student enrollment in which more than 50 percent of the students do not have a secondary school diploma or its recognized equivalent, and does not provide a 2- or 4-year program of instruction (or both) for which the institution awards a bachelor's degree or an associate's degree, respectively, except that the Secretary may waive the limitation contained in this subparagraph if a nonprofit institution demonstrates to the satisfaction of the Secretary that the institution exceeds such limitation because the institution serves, through contracts with Federal, State, or local government agencies, significant numbers of students who do not have a secondary school diploma or its recognized equivalent.

(4) LIMITATIONS BASED ON MANAGEMENT.—An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if—

(A) the institution, or an affiliate of the institution that has the power, by contract or ownership interest, to direct or cause the direction of the management or policies of the institution, has filed for bankruptcy, except that this paragraph shall not apply to a nonprofit institution, the primary function of which is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or

policies) that files for bankruptcy *or receivership* under chapter 11 of title 11, United States Code, between July 1, 1998, and December 1, 1998; or

(B) the institution, the institution's owner, or the institution's chief executive officer has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under title IV, or has been judicially determined to have committed fraud involving funds under title IV.

(5) CERTIFICATION.—The Secretary shall certify an institution's qualification as an institution of higher education in accordance with the requirements of subpart 3 of part H of title IV.

(6) LOSS OF ELIGIBILITY.—An institution of higher education shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution is removed from eligibility for funds under title IV as a result of an action pursuant to part H of title IV.

(b) PROPRIETARY INSTITUTION OF HIGHER EDUCATION.—

(1) PRINCIPAL CRITERIA.—For the purpose of this section, the term "proprietary institution of higher education" means a school that—

(A)(i) provides an eligible program of training to prepare students for gainful employment in a recognized occupation; or

(ii)(I) provides a program leading to a baccalaureate degree in liberal arts, and has provided such a program since January 1, 2009; and

(II) is accredited by a recognized regional accrediting agency or association, and has continuously held such accreditation since October 1, 2007, or earlier;

(B) meets the requirements of paragraphs (1) and (2) of section 101(a);

(C) does not meet the requirement of paragraph (4) of section 101(a);

(D) is accredited by a nationally recognized accrediting agency or association recognized by the Secretary pursuant to part H of title IV; [and]

(E) has been in existence for at least 2 years[.] *; and*

(F) meets the requirements of paragraph (3).

(2) ADDITIONAL INSTITUTIONS.—The term "proprietary institution of higher education" also includes a proprietary educational institution in any State that, in lieu of the requirement in section 101(a)(1), admits as regular students individuals—

(A) who are beyond the age of compulsory school attendance in the State in which the institution is located; or

(B) who will be dually or concurrently enrolled in the institution and a secondary school.

(3) REVENUE SOURCES.—In order to qualify as a proprietary institution of higher education under this subsection, an institution shall derive not less than 15 percent of the institution's revenues from sources other than Federal education assistance funds, as calculated in accordance with paragraph (4).

[(1)] *(4)* CALCULATION.—In making calculations under [subsection (a)(24)] *paragraph (3)*, a proprietary institution of higher education shall—

(A) use the cash basis of accounting, except in the case of loans described in subparagraph (D)(i) that are made by the proprietary institution of higher education;

(B) consider as revenue only those funds generated by the institution from—

(i) tuition, fees, and other institutional charges for students enrolled in programs eligible for assistance under this title;

(ii) activities conducted by the institution that are necessary for the education and training of the institution's students, if such activities are—

(I) conducted on campus or at a facility under the control of the institution;

(II) performed under the supervision of a member of the institution's faculty; and

(III) required to be performed by all students in a specific educational program at the institution; and

(iii) funds paid by a student, or on behalf of a student by a party other than the institution, for an education or training program that is not eligible for funds under this title, if the program—

(I) is approved or licensed by the appropriate State agency;

(II) is accredited by an accrediting agency recognized by the Secretary; [or]

(III) provides an industry-recognized credential or certification; *or*

(IV) provides industry-related skills training pursuant to a contract with an entity that is an independent third-party (such as an employer), except that revenues from such skills training shall not exceed 5 percent of the institution's revenues for the purposes of the calculation under this paragraph, if the institution—

(aa) does not offer more than 50 percent of the institution's courses exclusively through distance education;

(bb) ensures that less than 50 percent of students enrolled at the institution are enrolled exclusively in courses offered through distance education; and

(cc) was providing such skills training pursuant to such contract before the date of enactment of the College Affordability Act;

(C) presume that any [funds for a program under this title] *Federal education assistance funds* that are disbursed or delivered to or on behalf of a student will be used to pay the student's tuition, fees, or other institutional charges, regardless of whether the institution credits those funds to the student's account or pays those funds directly to the student, except to the extent that the stu-

dent's tuition, fees, or other institutional charges are satisfied by—

(i) grant funds provided by non-Federal public agencies or private sources independent of the institution;

(ii) funds provided under a contractual arrangement with a Federal, State, or local government agency for the purpose of providing job training to low-income individuals who are in need of that training;

(iii) funds used by a student from savings plans for educational expenses established by or on behalf of the student and which qualify for special tax treatment under the Internal Revenue Code of 1986; or

(iv) institutional scholarships described in subparagraph (D)(iii);

(D) include institutional aid as revenue to the school only as follows:

(i) in the case of loans made by a proprietary institution of higher education on or after July 1, 2008 and prior to July 1, 2012, the net present value of such loans made by the institution during the applicable institutional fiscal year accounted for on an accrual basis and estimated in accordance with generally accepted accounting principles and related standards and guidance, if the loans—

(I) are bona fide as evidenced by enforceable promissory notes;

(II) are issued at intervals related to the institution's enrollment periods; and

(III) are subject to regular loan repayments and collections;

(ii) in the case of loans made by a proprietary institution of higher education *(including any financing or credit instrument of which the institution was a holder or guarantor)* on or after July 1, 2012, only the amount of loan repayments received during the applicable institutional fiscal year, excluding repayments on loans made and accounted for as specified in clause (i); and

(iii) in the case of scholarships provided by a proprietary institution of higher education, only those scholarships provided by the institution in the form of monetary aid or tuition discounts based upon the academic achievements or financial need of students, disbursed during each fiscal year from an established restricted account, and only to the extent that funds in that account represent designated funds from an outside source or from income earned on those funds;

(E) in the case of each student who receives a loan on or after July 1, 2008, and prior to July 1, 2011, that is authorized under section 428H or that is a Federal Direct Unsubsidized Stafford Loan, treat as revenue received by the institution from sources other than funds received under this title, the amount by which the disbursement of such loan received by the institution exceeds the limit on such loan in effect on the day before the date of enactment

of the Ensuring Continued Access to Student Loans Act of 2008; and

(F) exclude from revenues—

(i) the amount of funds the institution received under part C, unless the institution used those funds to pay a student's institutional charges;

(ii) the amount of funds the institution received under subpart 4 of part A;

(iii) the amount of funds provided by the institution as matching funds for a program under this title;

(iv) the amount of funds provided by the institution for a program under this title that are required to be refunded or returned; and

(v) the amount charged for books, supplies, and equipment, unless the institution includes that amount as tuition, fees, or other institutional charges.

[(3)**]** *(5)* PUBLICATION ON **[**COLLEGE NAVIGATOR**]** *DEPARTMENT OF EDUCATION* WEBSITE.—The Secretary shall publicly disclose **[**on the College Navigator**]** *on a Department of Education* website—

(A) the identity of any proprietary institution of higher education that fails to meet a requirement of **[**subsection (a)(24)**]** *paragraph (3)*; and

(B) the extent to which the institution failed to meet such requirement.

[(4)**]** *(6)* REPORT TO CONGRESS.—Not later than July 1, 2009, and July 1 of each succeeding year, the Secretary shall submit to the authorizing committees *and make publicly available* a report that contains, for each proprietary institution of higher education that receives assistance under this title, as provided in the audited financial statements submitted to the Secretary by each institution pursuant to the requirements of **[**subsection (a)(24)**]** *paragraph (3)*—

(A) the amount and percentage of such institution's revenues received from **[**sources under this title**]** *Federal education assistance funds*; and

(B) the amount and percentage of such institution's revenues received from other sources.

(c) POSTSECONDARY VOCATIONAL INSTITUTION.—

(1) PRINCIPAL CRITERIA.—For the purpose of this section, the term "postsecondary vocational institution" means a school that—

(A) provides an eligible program of training to prepare students for gainful employment in a recognized occupation;

(B) meets the requirements of paragraphs (1), (2), (4), and (5) of section 101(a); and

(C) has been in existence for at least 2 years.

(2) ADDITIONAL INSTITUTIONS.—The term "postsecondary vocational institution" also includes an educational institution in any State that, in lieu of the requirement in section 101(a)(1), admits as regular students individuals—

(A) who are beyond the age of compulsory school attendance in the State in which the institution is located; or (B)

who will be dually or concurrently enrolled in the institution and a secondary school.

SEC. 103. ADDITIONAL DEFINITIONS.

In this Act:

(1) AUTHORIZING COMMITTEES.—The term "authorizing committees" means the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives.

(2) COMBINATION OF INSTITUTIONS OF HIGHER EDUCATION.—The term "combination of institutions of higher education" means a group of institutions of higher education that have entered into a cooperative arrangement for the purpose of carrying out a common objective, or a public or private nonprofit agency, organization, or institution designated or created by a group of institutions of higher education for the purpose of carrying out a common objective on the group's behalf.

(3) CRITICAL FOREIGN LANGUAGE.—Except as otherwise provided, the term "critical foreign language" means each of the languages contained in the list of critical languages designated by the Secretary in the Federal Register on August 2, 1985 (50 Fed. Reg. 31412; promulgated under the authority of section 212(d) of the Education for Economic Security Act (repealed by section 2303 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988)), as updated by the Secretary from time to time and published in the Federal Register, except that in the implementation of this definition with respect to a specific title, the Secretary may set priorities according to the purposes of such title and the national security, economic competitiveness, and educational needs of the United States.

(4) DEPARTMENT.—The term "Department" means the Department of Education.

(5) DIPLOMA MILL.—The term "diploma mill" means an entity that—

(A)(i) offers, for a fee, degrees, diplomas, or certificates, that may be used to represent to the general public that the individual possessing such a degree, diploma, or certificate has completed a program of postsecondary education or training; and

(ii) requires such individual to complete little or no education or coursework to obtain such degree, diploma, or certificate; and

(B) lacks accreditation by an accrediting agency or association that is recognized as an accrediting agency or association of institutions of higher education (as such term is defined in section 102) by—

(i) the Secretary pursuant to subpart 2 of part H of title IV; or

(ii) a Federal agency, State government, or other organization or association that recognizes accrediting agencies or associations.

(6) DISABILITY.—The term "disability" has the same meaning given that term under [section 3(2)] *section 3* of the Americans With Disabilities Act of 1990.

(7) DISTANCE EDUCATION.—

(A) IN GENERAL.—Except as otherwise provided, the term"distance education"means education that uses one or more of the technologies described in subparagraph (B)—

(i) to deliver instruction to students who are separated from the instructor; and

(ii) to support regular and substantive interaction between the students and the instructor, synchronously or asynchronously.

(B) INCLUSIONS.—For the purposes of subparagraph (A), the technologies used may include—

(i) the Internet;

(ii) one-way and two-way transmissions through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices;

(iii) audio conferencing; or

(iv) video cassettes, DVDs, and CD–ROMs, if the cassettes, DVDs, or CD–ROMs are used in a course in conjunction with any of the technologies listed in clauses (i) through (iii).

(8) EARLY CHILDHOOD EDUCATION PROGRAM.—The term "early childhood education program" means—

(A) a Head Start program or an Early Head Start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.), including a migrant or seasonal Head Start program, an Indian Head Start program, or a Head Start program or an Early Head Start program that also receives State funding;

(B) a State licensed or regulated child care program; or

(C) a program that—

(i) serves children from birth through age six that addresses the children's cognitive (including language, early literacy, and early mathematics), social, emotional, and physical development; and

(ii) is—

(I) a State prekindergarten program;

(II) a program authorized under section 619 or part C of the Individuals with Disabilities Education Act; or

(III) a program operated by a local educational agency.

(9) ELEMENTARY SCHOOL.—The term "elementary school" has the same meaning given that term under section 8101 of the Elementary and Secondary Education Act of 1965.

(10) GIFTED AND TALENTED.—The term "gifted and talented" has the same meaning given that term under section 8101 of the Elementary and Secondary Education Act of 1965.

(11) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the same meaning given that term under section 8101 of the Elementary and Secondary Education Act of 1965.

(12) NEW BORROWER.—The term "new borrower" when used with respect to any date means an individual who on that date has no outstanding balance of principal or interest owing on any loan made, insured, or guaranteed under title IV.

(13) NONPROFIT.—The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution *controlled,* owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(14) POVERTY LINE.—The term "poverty line" means the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

(15) SCHOOL OR DEPARTMENT OF DIVINITY.—The term "school or department of divinity" means an institution, or a department or a branch of an institution, the program of instruction of which is designed for the education of students—

(A) to prepare the students to become ministers of religion or to enter upon some other religious vocation (or to provide continuing training for any such vocation); or

(B) to prepare the students to teach theological subjects.

(16) SECONDARY SCHOOL.—The term "secondary school" has the same meaning given that term under section 8101 of the Elementary and Secondary Education Act of 1965.

(17) SECRETARY.—The term "Secretary" means the Secretary of Education.

(18) SERVICE-LEARNING.—The term "service-learning" has the same meaning given that term under section 101(23) of the National and Community Service Act of 1990.

(19) SPECIAL EDUCATION TEACHER.—The term "special education teacher" means teachers who teach children with disabilities as defined in section 602 of the Individuals with Disabilities Education Act.

(20) STATE; FREELY ASSOCIATED STATES.—

(A) STATE.—The term "State" includes, in addition to the several States of the United States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Freely Associated States.

(B) FREELY ASSOCIATED STATES.—The term "Freely Associated States" means the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(21) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the same meaning given that term under section 8101 of the Elementary and Secondary Education Act of 1965.

(22) STATE HIGHER EDUCATION AGENCY.—The term "State higher education agency" means the officer or agency primarily responsible for the State supervision of higher education.

(23) UNIVERSAL DESIGN.—The term"universal design"has the meaning given the term in section 3 of the Assistive Technology Act of 1998 (29 U.S.C. 3002).

(24) UNIVERSAL DESIGN FOR LEARNING.—The term "universal design for learning" means a scientifically valid framework for guiding educational practice that—

(A) provides flexibility in the ways information is presented, in the ways students respond or demonstrate knowledge and skills, and in the ways students are engaged; and

(B) reduces barriers in instruction, provides appropriate accommodations, supports, and challenges, and maintains high achievement expectations for all students, including students with disabilities and students who are limited English proficient.

(25) PUBLIC INSTITUTION OF HIGHER EDUCATION.—The term "public institution of higher education" means an institution of higher education—

(A) for which all obligations of the institution are valid and binding obligations of a State (or of an equivalent governmental entity); and

(B) for which the full faith and credit of such State (or equivalent governmental entity) is pledged for the timely payment of such obligations.

(26) FOSTER CARE YOUTH.—The term "foster care youth" means an individual whose care and placement is the responsibility of the State or tribal agency that administers a State or tribal plan under part B or E of title IV of the Social Security Act (42 U.S.C. 621 et seq.; 670 et seq.), without regard to whether foster care maintenance payments are made under section 472 of such Act (42 U.S.C. 672) on behalf of the individual, including any such individual who was in such care on or after attaining 13 years of age and without regard to the reason the individual left such care.

(27) FEDERAL EDUCATION ASSISTANCE FUNDS.—The term "Federal education assistance funds"—

(A) except as provided in subparagraph (B), means any Federal funds provided, under this Act or any other Federal law, through a grant, contract, subsidy, loan, or guarantee, or through insurance or other means (including Federal funds disbursed or delivered to an institution or on behalf of a student or to a student to be used to attend the institution); and

(B) does not include any monthly housing stipend provided under the Post-9/11 Educational Assistance Program under chapter 33 of title 38, United States Code.

(28) PROGRESS PERIOD STATUS.—The term "progress period status" means the status of an institution of higher education that is determined by the Secretary to be in danger of failing to meet title IV eligibility criteria relating to student debt because the institution has an adjusted cohort default rate of not less than 10 percent and not more than 15 percent.

SEC. 104. PROGRAM OF TRAINING TO PREPARE STUDENTS FOR GAINFUL EMPLOYMENT IN A RECOGNIZED OCCUPATION.

(a) GAINFUL EMPLOYMENT PROGRAM DEFINED.—In this Act (including for purposes of sections 101 and 102), the term "program of training to prepare students for gainful employment in a recognized occupation" means a training program that—

(1) is in compliance with the performance metrics (including the eligibility thresholds for each such metric) established under subsection (b)(1);

(2) is in compliance with the notice requirements under subsection (b)(1)(C)(i)(II);

(3) is otherwise eligible to receive funds under title IV; and

(4) is not a training program that is substantially similar to a training program which, during a period determined by the Secretary, did not meet one or more of the performance metrics (such as an eligibility threshold) described in paragraph (1).

(b) SECRETARIAL REQUIREMENTS.—

(1) ESTABLISHMENT OF REQUIREMENTS.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of the College Affordability Act, the Secretary shall establish requirements that training programs shall meet to be programs of training to prepare students for gainful employment in a recognized occupation, which shall include—

(i) establishing performance metrics (including eligibility thresholds for each such metric) described in subparagraph (B); and

(ii) developing a disclosure template and a verification process for disclosures described in subparagraph (C).

(B) PERFORMANCE METRICS.—

(i) IN GENERAL.—In establishing the performance metrics under subparagraph (A)(i), the Secretary shall, at a minimum, establish the requirements for a debt-to-earnings rate that serves the best interests of students and taxpayers, which shall include—

(I) a methodology for calculating such debt-to-earnings rate for a training program, including—

(aa) a definition of the cohort of individuals on whom such rate shall be based, who shall be selected from the individuals who were enrolled in such training program (without regard to whether the individuals received a loan for such enrollment);

(bb) a determination of the debt amount for such rate based on the median annual loan payment for the loans made under title IV and the private education loans received for such enrollment by such cohort;

(cc) a determination of the earnings amount for such rate based on the mean or median of the actual, student-level annual earnings for such cohort; and

(dd) establishing a process (such as an appeals process) to authorize training programs to use alternate earnings in lieu of the mean or median of the actual, student-level annual earnings of a cohort; and

(II) establishing a threshold rate that—

(aa) each training program shall meet to be eligible to receive funds under title IV; and

(bb) is comparable to the eligibility thresholds for the debt-to-earning ratio established in the final rule on "Program Integrity: Gain-

ful Employment" published by the Department of Education in the Federal Register on October 31, 2014 (Fed. Reg. 64890 et seq.).

(ii) EARNINGS DATA.—In determining the mean or median of the actual, student-level annual earnings for purposes of this subparagraph, the Secretary shall obtain and use the most appropriate available Federal data on such earnings.

(C) DISCLOSURE TEMPLATE.—The Secretary shall develop—

(i) a disclosure template that—

(I) is consumer tested; and

(II) is used by each institution of higher education that offers a training program to provide enrolled and prospective students (including through publication on the website of such institution of higher education for such training program)—

(aa) on an annual basis, student outcome information for such program (including the debt-to-earnings rate and whether the eligibility threshold for any other performance metric established under subparagraph (A)(i) has been met); and

(bb) in a case in which the training program receives a notice of determination under paragraph (2)(B) that the program may be ineligible for funds under title IV, or may receive other sanctions, not later than 30 days after receipt of such notice, an explanation of such notice of determination; and

(ii) a process to annually verify that each institution of higher education that offers a training program is providing the disclosures required under clause (i)(II).

(2) ENFORCEMENT OF REQUIREMENTS.—Not later than 2 years after the Secretary establishes requirements under paragraph (1), and annually thereafter, the Secretary shall, with respect to each training program that seeks to meet the definition in subsection (a), including each such program that met such definition for most recent award year for which data are available—

(A) calculate the debt-to-earnings rate and assess performance with respect to any other metric established under paragraph (1)(A)(i) for the preceding award year, and make such information publicly available on the website of the Department;

(B) issue a notice of determination on whether the program meets the definition in subsection (a), including whether the program shall be subject to sanctions (such as loss of eligibility under title IV); and

(C) enforce the applicable sanctions.

PART B—ADDITIONAL GENERAL PROVISIONS

SEC. 111. ANTIDISCRIMINATION.

(a) IN GENERAL.—Institutions of higher education receiving Federal financial assistance may not use such financial assistance, directly or indirectly, to undertake any study or project or fulfill the terms of any contract containing an express or implied provision that any person or persons of a particular race, religion, sex *(including sexual orientation, gender identity, pregnancy, childbirth, a medical condition related to pregnancy or childbirth, or sex stereotype)*, or national origin be barred from performing such study, project, or contract, except that nothing in this subsection shall be construed to prohibit an institution from conducting objective studies or projects concerning the nature, effects, or prevention of discrimination, or to have the institution's curriculum restricted on the subject of discrimination.

(b) LIMITATIONS ON STATUTORY CONSTRUCTION.—Nothing in this Act shall be construed to limit the rights or responsibilities of any individual under the Americans with Disabilities Act of 1990, the Rehabilitation Act of 1973, or any other law.

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SEC. 114. NATIONAL ADVISORY COMMITTEE ON INSTITUTIONAL QUALITY AND INTEGRITY.

(a) ESTABLISHMENT.—There is established in the Department a National Advisory Committee on Institutional Quality and Integrity (in this section referred to as the "Committee") to assess the process of accreditation and the institutional eligibility and certification of institutions of higher education (as defined in section 102) under title IV.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Committee shall have 18 members, of which—

(A) six members shall be appointed by the Secretary;

(B) six members shall be appointed by the Speaker of the House of Representatives, three of whom shall be appointed on the recommendation of the majority leader of the House of Representatives, and three of whom shall be appointed on the recommendation of the minority leader of the House of Representatives; and

(C) six members shall be appointed by the President pro tempore of the Senate, three of whom shall be appointed on the recommendation of the majority leader of the Senate, and three of whom shall be appointed on the recommendation of the minority leader of the Senate.

(2) QUALIFICATIONS.—Individuals shall be appointed as members of the Committee—

(A) on the basis of the individuals' experience, integrity, impartiality, and good judgment;

(B) from among individuals who are representatives of, or knowledgeable concerning, education and training beyond secondary education, representing all sectors and types of institutions of higher education (as defined in section 102); and

(C) on the basis of the individuals' technical qualifications, professional standing, and demonstrated knowledge in the fields of accreditation and administration in higher education.

(3) TERMS OF MEMBERS.—Except as provided in paragraph (5), the term of office of each member of the Committee shall be for six years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of such term.

(4) VACANCY.—A vacancy on the Committee shall be filled in the same manner as the original appointment was made not later than 90 days after the vacancy occurs. If a vacancy occurs in a position to be filled by the Secretary, the Secretary shall publish a Federal Register notice soliciting nominations for the position not later than 30 days after being notified of the vacancy.

(5) INITIAL TERMS.—The terms of office for the initial members of the Committee shall be—

(A) three years for members appointed under paragraph (1)(A);

(B) four years for members appointed under paragraph (1)(B); and

(C) six years for members appointed under paragraph (1)(C).

(6) CHAIRPERSON.—The members of the Committee shall select a chairperson from among the members.

(c) FUNCTIONS.—The Committee shall—

(1) advise the Secretary with respect to establishment and enforcement of the standards of accrediting agencies or associations under subpart 2 of part H of title IV;

(2) advise the Secretary with respect to the recognition of a specific accrediting agency or association;

(3) advise the Secretary with respect to the preparation and publication of the list of nationally recognized accrediting agencies and associations;

(4) advise the Secretary with respect to the eligibility and certification process for institutions of higher education under title IV, together with recommendations for improvements in such process;

(5) advise the Secretary with respect to the relationship between—

(A) accreditation of institutions of higher education and the certification and eligibility of such institutions; and

(B) State licensing responsibilities with respect to such institutions; and

(6) carry out such other advisory functions relating to accreditation and institutional eligibility as the Secretary may prescribe by regulation.

(d) MEETING PROCEDURES.—

(1) SCHEDULE.—

(A) BIANNUAL MEETINGS.—The Committee shall meet not less often than twice each year, at the call of the Chairperson.

(B) PUBLICATION OF DATE.—The Committee shall submit the date and location of each meeting in advance to the Secretary, and the Secretary shall publish such information in the Federal Register not later than 30 days before the meeting.

(2) AGENDA.—

(A) ESTABLISHMENT.—The agenda for a meeting of the Committee shall be established by the Chairperson and shall be submitted to the members of the Committee upon notification of the meeting.

(B) OPPORTUNITY FOR PUBLIC COMMENT.—The agenda shall include, at a minimum, opportunity for public comment during the Committee's deliberations.

(3) SECRETARY'S DESIGNEE.—The Secretary shall designate an employee of the Department to serve as the Secretary's designee to the Committee, and the Chairperson shall invite the Secretary's designee to attend all meetings of the Committee.

(4) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Committee, except that section 14 of such Act shall not apply.

(e) REPORT AND NOTICE.—

(1) NOTICE.—The Secretary shall annually publish in the Federal Register—

(A) a list containing, for each member of the Committee—

(i) the member's name;

(ii) the date of the expiration of the member's term of office; and

(iii) the name of the individual described in subsection (b)(1) who appointed the member; and

(B) a solicitation of nominations for each expiring term of office on the Committee of a member appointed by the Secretary.

(2) REPORT.—Not later than the last day of each fiscal year, the Committee shall make available an annual report to the Secretary, the authorizing committees, and the public. The annual report shall contain—

(A) a detailed summary of the agenda and activities of, and the findings and recommendations made by, the Committee during the fiscal year preceding the fiscal year in which the report is made;

(B) a list of the date and location of each meeting during the fiscal year preceding the fiscal year in which the report is made;

(C) a list of the members of the Committee; and

(D) a list of the functions of the Committee, including any additional functions established by the Secretary through regulation.

[(f) TERMINATION.—The Committee shall terminate on September 30, 2019.]

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SEC. 117. DISCLOSURES OF FOREIGN GIFTS.

(a) DISCLOSURE REPORT.—Whenever any institution is owned or controlled by a foreign source or receives a gift from or enters into

a contract with a foreign source, the value of which is $250,000 or more, considered alone or in combination with all other gifts from or contracts with that foreign source within a calendar year, the institution shall file a disclosure report with the Secretary on January 31 or July 31, whichever is sooner.

(b) CONTENTS OF REPORT.—Each report to the Secretary required by this section shall contain the following:

(1) For gifts received from or contracts entered into with a foreign source other than a foreign government, the aggregate dollar amount of such gifts and contracts attributable to a particular country. The country to which a gift is attributable is the country of citizenship, or if unknown, the principal residence for a foreign source who is a natural person, and the country of incorporation, or if unknown, the principal place of business, for a foreign source which is a legal entity. *In this paragraph, the term "aggregate dollar amount" includes the fair market value of staff members, textbooks, and other in-kind gifts.*

(2) For gifts received from or contracts entered into with a foreign government, the aggregate amount of such gifts and contracts received from each foreign government. *In this paragraph, the term "aggregate dollar amount" includes the fair market value of staff members, textbooks, and other in-kind gifts.*

(3) In the case of an institution which is owned or controlled by a foreign source, the identity of the foreign source, the date on which the foreign source assumed ownership or control, and any changes in program or structure resulting from the change in ownership or control.

(c) ADDITIONAL DISCLOSURES FOR RESTRICTED AND CONDITIONAL GIFTS.—Notwithstanding the provisions of subsection (b), whenever any institution receives a restricted or conditional gift or contract from a foreign source, the institution shall disclose the following:

(1) For such gifts received from or contracts entered into with a foreign source other than a foreign government, the amount, the date, and a description of such conditions or restrictions. The report shall also disclose the country of citizenship, or if unknown, the principal residence for a foreign source which is a natural person, and the country of incorporation, or if unknown, the principal place of business for a foreign source which is a legal entity.

(2) For gifts received from or contracts entered into with a foreign government, the amount, the date, a description of such conditions or restrictions, and the name of the foreign government.

(d) RELATION TO OTHER REPORTING REQUIREMENTS.—

(1) STATE REQUIREMENTS.—If an institution described under subsection (a) is within a State which has enacted requirements for public disclosure of gifts from or contracts with a foreign source that [are substantially similar to the requirements of this section,] *includes all information required by this section,* a copy of the disclosure report filed with the State may be filed with the Secretary in lieu of a report required under subsection (a). The State in which the institution is located shall provide to the Secretary such assurances as the Secretary

may require to establish that the institution has met the requirements for public disclosure under State law if the State report is filed.

(2) USE OF OTHER FEDERAL REPORTS.—If an institution receives a gift from, or enters into a contract with, a foreign source, where any other department, agency, or bureau of the executive branch requires a report containing [requirements substantially similar to those] *all the information* required under this section, a copy of the report may be filed with the Secretary in lieu of a report required under subsection (a).

(e) PUBLIC INSPECTION.—All disclosure reports required by this section shall be public records open to inspection and copying during business hours. *Not later than 30 days after receiving a disclosure report under this section, the Secretary shall make such report electronically available to the public for downloading on searchable database under which institutions can be individually identified and compared.*

(f) ENFORCEMENT.—

(1) COURT ORDERS.—Whenever it appears that an institution has failed to comply with the requirements of this section, including any rule or regulation promulgated under this section, a civil action may be brought by the Attorney General, at the request of the Secretary, in an appropriate district court of the United States, or the appropriate United States court of any territory or other place subject to the jurisdiction of the United States, to request such court to compel compliance with the requirements of this section.

(2) COSTS.—For knowing or willful failure to comply with the requirements of this section, including any rule or regulation promulgated thereunder, an institution shall pay to the Treasury of the United States the full costs to the United States of obtaining compliance, including all associated costs of investigation and enforcement.

[(g) REGULATIONS.—The Secretary may promulgate regulations to carry out this section.]

(g) REGULATIONS.—

(1) IN GENERAL.—Not later than 2 years after the date of the enactment of the College Affordability Act, the Secretary shall issue regulations to carry out this section.

(2) PROCEDURE.—Regulations under paragraph (1) shall be—

(A) developed through the negotiated rulemaking process under section 492;

(B) developed with consultation from stakeholders; and

(C) published in the Federal Register in accordance with section 482.

(h) DEFINITIONS.—For the purpose of this section—

(1) the term "contract" means any agreement for the acquisition by purchase, lease, or barter of property or services by the foreign source, for the direct benefit or use of either of the parties;

(2) the term "foreign source" means—

(A) a foreign government, including an agency of a foreign government;

(B) a legal entity, governmental or otherwise, created solely under the laws of a foreign state or states;

(C) an individual who is not a citizen or a national of the United States or a trust territory or protectorate thereof; and

(D) an agent, including a subsidiary or affiliate of a foreign legal entity, acting on behalf of a foreign source;

(3) the term "gift" means any gift of money [or property] *property, human resources, or payment of any staff*;

(4) the term "institution" means any institution, public or private, or, if a multicampus institution, any single campus of such institution, in any State, that—

(A) is legally authorized within such State to provide a program of education beyond secondary school;

(B) provides a program for which the institution awards a bachelor's degree (or provides not less than a 2-year program which is acceptable for full credit toward such a degree) or more advanced degrees; and

(C) is accredited by a nationally recognized accrediting agency or association and to which institution Federal financial assistance is extended (directly or indirectly through another entity or person), or which institution receives support from the extension of Federal financial assistance to any of the institution's subunits; and

(5) the term "restricted or conditional gift or contract" means any endowment, gift, grant, contract, award, present, or property of any kind which includes provisions regarding—

(A) the employment, assignment, or termination of faculty;

(B) the establishment of departments, centers, *institutes, instructional programs,* research or lecture programs, or new faculty positions;

(C) the selection or admission of students; or

(D) the award of grants, loans, scholarships, fellowships, or other forms of financial aid restricted to students of a specified country, religion, sex, ethnic origin, or political opinion.

(i) TREATMENT OF TUITION PAYMENT.—A tuition and related fees and expenses payment to an institution by a foreign source made on behalf of a student enrolled at such institution shall not be considered a gift from or contract with a foreign source under this subsection.

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SEC. 120. [DRUG AND ALCOHOL ABUSE] *ALCOHOL AND SUBSTANCE MISUSE* PREVENTION.

(a) RESTRICTION ON ELIGIBILITY.—Notwithstanding any other provision of law, no institution of higher education shall be eligible to receive funds or any other form of financial assistance under any Federal program, including participation in any federally funded or guaranteed student loan program, unless the institution certifies to the Secretary that the institution has adopted and has implemented [a program to prevent the use of illicit drugs and the abuse of alcohol by students and employees that,] *an evidence-based program to prevent alcohol and substance misuse by students and employees that,* at a minimum, includes—

(1) the annual distribution to each student and employee of—

(A) standards of conduct that clearly prohibit, at a minimum, the unlawful possession, use, or distribution of illicit drugs and alcohol by students and employees on the institution's property or as part of any of the institution's activities;

(B) a description of the applicable legal sanctions under local, State, or Federal law for the unlawful possession or distribution of illicit drugs and alcohol;

[(C) a description of the health-risks associated with the use of illicit drugs and the abuse of alcohol;

[(D) a description of any drug or alcohol counseling, treatment, or rehabilitation or re-entry programs that are available to employees or students; and]

(C) a description of the health-risks associated with the use of illicit drugs and alcohol and substance misuse;

(D) a description of any alcohol or substance misuse counseling, treatment, rehabilitation, recovery, re-entry, or recovery support programs provided by the institution (including in partnership with a community-based organization) that are available to employees or students;

(E) a clear statement [that the institution will impose] *of the policies of the institution regarding* sanctions on students and employees (consistent with local, State, and Federal law), and a description of those sanctions, up to and including expulsion or termination of employment and referral for prosecution, for violations of the standards of conduct required by subparagraph (A); and

(2) a biennial review by the institution of the institution's program to—

(A) determine the program's effectiveness and implement changes to the program if the changes are needed;

(B) determine the number of drug and alcohol-related violations and fatalities that—

(i) occur on the institution's campus (as defined in section 485(f)(6)), or as part of any of the institution's activities; and

(ii) are reported to campus officials;

(C) determine the number and type of sanctions described in paragraph (1)(E) that are imposed by the institution as a result of drug and alcohol-related violations and fatalities on the institution's campus or as part of any of the institution's activities; and

(D) ensure that the sanctions required by paragraph (1)(E) are consistently enforced.

(b) INFORMATION AVAILABILITY.—Each institution of higher education that provides the certification required by subsection (a) shall, upon request, make available to the Secretary and to the public a copy of each item required by subsection (a)(1) as well as the results of the biennial review required by subsection (a)(2).

(c) REGULATIONS.—

(1) IN GENERAL.—The Secretary shall publish regulations to implement and enforce the provisions of this section, including regulations that provide for—

(A) the periodic review of a representative sample of programs required by subsection (a); [and]

(B) a range of responses and sanctions for institutions of higher education that fail to implement their programs or to consistently enforce their sanctions, including information and technical assistance, the development of a compliance agreement, and the termination of any form of Federal financial assistance[.]*; and*

(C) compliance assistance to assist institutions in complying with the requirements of this section.

(2) INTERAGENCY AGREEMENT.—Not later than 180 days after the date of enactment of the College Affordability Act, the Secretary shall enter into a interagency agreement with the Secretary of Health and Human Services to—

(A) determine criteria that satisfy the requirement of subsection (a) that an institution of higher education has adopted and has implemented an evidence-based program described in such subsection;

(B) establish a process for disseminating the best practices for adopting and implementing such an evidence-based program; and

(C) establish a process that promotes coordination and collaboration between institutions of higher education and the respective State agencies that administer the Substance Abuse Prevention and Treatment Block Grants pursuant to subpart II of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x–21).

(3) GUIDANCE.—Not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall, in coordination with the Secretary of Health and Human Services, issue guidance with respect to the criteria described in paragraph (2)(A).

[(2)] *(4)* REHABILITATION PROGRAM.—The sanctions required by subsection (a)(1)(E) may include the completion of an appropriate rehabilitation program.

(d) APPEALS.—Upon determination by the Secretary to terminate financial assistance to any institution of higher education under this section, the institution may file an appeal with an administrative law judge before the expiration of the 30-day period beginning on the date such institution is notified of the decision to terminate financial assistance under this section. Such judge shall hold a hearing with respect to such termination of assistance before the expiration of the 45-day period beginning on the date that such appeal is filed. Such judge may extend such 45-day period upon a motion by the institution concerned. The decision of the judge with respect to such termination shall be considered to be a final agency action.

(e) ALCOHOL AND [DRUG ABUSE] *SUBSTANCE MISUSE* PREVENTION GRANTS.—

(1) PROGRAM AUTHORITY.—The Secretary may make grants to institutions of higher education or consortia of such institutions, and enter into contracts with such institutions, consortia, and [other organizations] *community-based organizations that partner with institutions of higher education*, to develop, implement, operate, improve, and disseminate [pro-

grams of prevention, and education (including treatment-referral) to reduce and eliminate the illegal use of drugs and alcohol and the violence associated with such use] *evidence-based programs of alcohol and substance misuse prevention and education (including programs to improve access to treatment, referral for treatment services, or crisis intervention services) to eliminate illegal substance use, decrease substance misuse, and improve public health and safety*. Such grants or contracts may also be used for the support of a higher education center for [alcohol and drug abuse] *substance use disorder* prevention that will provide training, technical assistance, evaluation, dissemination, and associated services and assistance to the higher education community as determined by the Secretary and institutions of higher education.

(2) ADDITIONAL USES.—In addition to the activities described in paragraph (1), a grant or contract awarded under paragraph (1) may be used to carry out 1 or more of the following evidence-based programs or activities:

(A) Providing programs for recovery support services, and peer-to-peer support services and counseling for students with a substance use disorder.

(B) Promoting integration and collaboration in campus-based health services between primary care, substance use disorder services, and mental health services.

(C) Promoting integrated care services for students related to screening, diagnosis, prevention, and treatment of mental, behavioral, and substance use disorders.

(D) Providing re-entry assistance for students on academic probation due to their substance use disorder.

(E) Preventing fatal and nonfatal overdoses.

(F) Providing education to students, faculty, or other personnel on—

(i) recognizing the signs and symptoms of substance use disorder, and how to engage and support a person in a crisis situation;

(ii) resources available in the community, within the institution of higher education, and other relevant resources for individuals with a substance use disorder; and

(iii) safely de-escalating crisis situations involving individuals with a substance use disorder.

[(2)] *(3)* AWARDS.—Grants and contracts shall be awarded under paragraph (1) on a competitive basis.

[(3)] *(4)* APPLICATIONS.—An institution of higher education, a consortium of such institutions, or another organization that desires to receive a grant or contract under paragraph (1) shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require by regulation.

[(4)] *(5)* ADDITIONAL REQUIREMENTS.—

(A) PARTICIPATION.—In awarding grants and contracts under this subsection the Secretary shall make every effort to ensure—

(i) the equitable participation of private and public institutions of higher education (including community and junior colleges); and

(ii) the equitable geographic participation of such institutions.

(B) CONSIDERATION.—In awarding grants and contracts under this subsection the Secretary shall give appropriate consideration to institutions of higher education with limited enrollment.

[(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.]

(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $15,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

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SEC. 124. EXCEPTION TO REQUIRED REGISTRATION WITH SELECTIVE SERVICE SYSTEM.

Notwithstanding section 12(f) of the Military Selective Service Act (50 U.S.C. 3811(f)), a person shall not be ineligible for assistance or a benefit provided under title IV if the person is required under section 3 of such Act (50 U.S.C. 3802) to present himself for and submit to registration under such section, and fails to do so in accordance with any proclamation, rule, or regulation issued under such section.

SEC. 125. INTEGRITY OF NONPROFIT INSTITUTIONS OF HIGHER EDUCATION.

(a) DETERMINATION.—The Secretary may approve the conversion of an institution of higher education to a nonprofit institution of higher education only if the Secretary determines that such institution of higher education meets the requirements under subsection (b).

(b) APPLICATION.—To be eligible to convert and participate as a nonprofit institution of higher education under this Act, an institution of higher education shall submit an application to the Secretary that demonstrates each of the following:

(1) That the institution of higher education that submits such application is controlled, owned, and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(2) That any assets or services acquired by the institution of higher education that submits such application from former owners of such institution of higher education were not acquired for more than the value of such assets or services.

(3) That no member of the governing board of the institution of higher education that submits such application (other than ex officio members serving at the pleasure of the remainder of the governing board and receiving a fixed salary), or any person with the power to appoint or remove members of such governing board or any immediate family member of such a member of the board or such a person with power of appointment, receives any substantial direct or indirect economic benefit (including a

lease, promissory note, or other contract) from such institution of higher education.

(4) That the institution of higher education that submits such application is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and is exempt from taxation under section 501(a) of such Code.

(5) Subject to subsection (c), that none of the core functions of the institution of higher education that submits such application are under the control of, or subject to significant direction from, an entity that is not a public institution of higher education or other nonprofit entity.

(c) PRESUMPTION OF SIGNIFICANT DIRECTION.—For purposes of paragraph (5) of subsection (b), in the case of an institution of higher education that submits an application under such subsection, there shall be a conclusive presumption that an entity (other than such institution of higher education) exercises significant direction over such institution if one or more of the employees or owners of the entity serves as an officer, member of the board, or person holding similar authority for such institution.

(d) TRANSITION PERIOD.—

(1) IN GENERAL.—In the case of a proprietary institution of higher education approved for conversion under subsection (a), for a period of at least 5 years that begins on the date such institution is approved for such conversion, the institution shall be—

(A) subject to any provision of this Act and any regulation that apply to proprietary institutions of higher education; and

(B) considered a proprietary institution of higher education for purposes of this Act.

(2) DEFINITION.—The term "proprietary institution of higher education" has the meaning given the term in section 102(b).

(e) VALUE.—The term "value", with respect to an acquisition under subsection (b)(2)—

(1) includes the value of any ongoing relationship (including any contract, agreement, lease or other arrangement);

(2) subject to paragraph (3), may be demonstrated through—

(A) a third-party appraisal based on comparable assets acquired by, or goods or services procured by, nonprofit corporations in similar market conditions;

(B) an independent financing of the acquisition based upon the assets acquired; or

(C) a full and open competition in the acquisition of services or assets, as such term is defined in section 2.101(b) of title 48, Code of Federal Regulations, as in effect on the date of the enactment of this section; and

(3) shall be subject to such other demonstration process determined appropriate by the Secretary in a case in which the Secretary does not accept a demonstration process described in paragraph (2).

(f) PUBLICATION.—

(1) APPLICATION.—Before the Secretary may approve the conversion of an institution of higher education under subsection (a), the application of such institution submitted to the Sec-

retary under subsection (b) shall be published in the Federal Register with an appropriate notice and comment period.

(2) DETERMINATION.—The Secretary shall publish each determination under this section, and the reasons for such determination, under the Federal Register.

(g) PUBLIC REPRESENTATION AND MARKETING OF NONPROFIT STATUS.—An institution of higher education shall not promote or market itself, in any manner, as a nonprofit institution of higher education unless—

(1) in the case of an institution of higher education that seeks to convert to a nonprofit institution of higher education under this section—

(A) the Secretary has given final approval of the conversion of the institution to a nonprofit institution of higher education under this section;

(B) an accrediting agency or association recognized by the Secretary pursuant to section 496 has approved the nonprofit status of the institution; and

(C) the State has given final approval to the institution as a nonprofit institution of higher education, as applicable; and

(2) the Commissioner of Internal Revenue has approved the institution as tax exempt for purposes of the Internal Revenue Code of 1986.

(h) OFFICE TO MONITOR NONPROFIT INTEGRITY.—Not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall establish an office within the Department with the expertise necessary to carry out this section.

SEC. 126. REVIEW OF GOVERNANCE.

The Secretary shall review the governance of an institution of higher education when such institution has engaged in transactions or arrangements determined by the Secretary as potential indicators of private inurement, in order to promote the highest standards of nonprofit integrity.

SEC. 127. SUPPORT AND GUIDANCE FOR HOMELESS INDIVIDUALS AND FOSTER CARE YOUTH.

(a) GUIDANCE.—Not later than 120 days after the date of enactment of the College Affordability Act, the Secretary shall issue revised guidance for institutions of higher education and financial aid administrators regarding serving homeless individuals and foster care youth, including the requirements of the determination process for financial aid administrators as specified in section 480(d).

(b) PROFESSIONAL DEVELOPMENT.—Beginning not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall conduct an annual professional development or training program, such as a webinar, for liaisons described under section 485(k) and interested faculty or staff regarding postsecondary education services for such homeless individuals and foster care youth.

(c) REPORT.—Not later than 1 year after the date of enactment of the College Affordability Act, and not less than once every 5 years thereafter, the Secretary shall prepare and submit to Congress a report containing strategies used by institutions, financial aid administrators, and liaisons described under section 485(k) that were ef-

fective in meeting the needs of such homeless individuals and foster care youth, including strategies relating to streamlining financial aid policies and procedures and postsecondary education recruitment, retention, and completion.

(d) HOMELESS INDIVIDUAL DEFINED.—In this section, the term "homeless individual" has the meaning given the term in section 402A.

SEC. 128. CALCULATION OF PERCENTAGE OF ENROLLED STUDENTS RECEIVING OR ELIGIBLE FOR FEDERAL PELL GRANTS.

Beginning on the date of enactment of the College Affordability Act, for purposes of calculating under this Act the percentage of students enrolled at an institution of higher education or in a program who are receiving Federal Pell Grants under section 401 or who are eligible to receive such grants, the total number of students who are counted as enrolled in such institution or program shall not include students who are dually or concurrently enrolled in the institution or program and a secondary school.

SEC. 129. CERTIFICATION REGARDING THE USE OF CERTAIN FEDERAL FUNDS.

(a) PROHIBITION.—No Federal funds received under this Act by an institution of higher education or other postsecondary educational institution may be used to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action described in subsection (b).

(b) APPLICABILITY.—The prohibition in subsection (a) applies with respect to the following Federal actions:

(1) The awarding of any Federal contract.

(2) The making of any Federal grant.

(3) The making of any Federal loan.

(4) The entering into of any Federal cooperative agreement.

(5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(c) LOBBYING AND EARMARKS.—No Federal student aid funding under this Act may be used to hire a registered lobbyist or pay any person or entity for securing an earmark.

(d) CERTIFICATION.—Each institution of higher education or other postsecondary educational institution receiving Federal funding under this Act, as a condition for receiving such funding, shall annually certify to the Secretary that the requirements of subsections (a) through (c) have been met.

(e) ACTIONS TO IMPLEMENT AND ENFORCE.—The Secretary shall take such actions as are necessary to ensure that the provisions of this section are implemented and enforced.

SEC. 130. FREEDOM OF ASSOCIATION.

(a) NON-RETALIATION AGAINST STUDENTS OF SINGLE-SEX SOCIAL ORGANIZATIONS.—An institution of higher education that receives funds under this Act shall not—

(1) take any action to require or coerce a student or prospective student who is a member or prospective member of a single-sex social organization to waive the requirements of paragraph (2), including as a condition of enrolling in the institution; or

(2) take any adverse action against a student who is a member or a prospective member of a single-sex social organization based solely on the membership practice of such organization limiting membership to only individuals of one sex.

(b) RULES OF CONSTRUCTION.—Nothing in this section shall—

(1) require an institution of higher education to officially recognize a single-sex organization;

(2) prohibit an institution of higher education from taking an adverse action against a student who joins a single-sex social organization for a reason including academic misconduct or nonacademic misconduct, or because the organization's purpose poses a clear harm to the students or employees, so long as that adverse action is not based solely on the membership practice of the organization of limiting membership to only individuals of one sex; or

(3) inhibit the ability of the faculty, staff, or administrators of an institution of higher education to express an opinion (either individually or collectively) about membership in a single-sex social organization, or otherwise inhibit the academic freedom of such faculty, staff, or administrators to research, write, or publish material about membership in such an organization.

(c) DEFINITIONS.—In this section:

(1) ADVERSE ACTION.—The term "adverse action" means any of the following actions taken by an institution of higher education with respect to a member or prospective member of a single-sex social organization:

(A) Expulsion, suspension, probation, censure, condemnation, formal reprimand, or any other disciplinary action, coercive action, or sanction taken by an institution of higher education or administrative unit of such institution.

(B) An oral or written warning with respect to an action described in subparagraph (A).

(C) An action to deny participation in any education program or activity.

(D) An action to withhold, in whole or in part, any financial assistance (including scholarships and on campus employment), or denying the opportunity to apply for financial assistance, a scholarship, a graduate fellowship, or on-campus employment.

(E) An action to deny or restrict access to on-campus housing.

(F) An act to deny any certification, endorsement, or letter of recommendation that may be required by a student's current or future employer, a government agency, a licensing board, an institution of higher education, a scholarship program, or a graduate fellowship to which the student seeks to apply.

(G) An action to deny participation in any sports team, club, or other student organization, including a denial of any leadership position in any sports team, club, or other student organization.

(H) An action to require any student to certify that such student is not a member of a single-sex social organization or to disclose the student's membership in a single-sex social organization.

(2) SINGLE-SEX SOCIAL ORGANIZATION.—The term "single-sex social organization" means—

(A) a social fraternity or sorority described in section 501(c) of the Internal Revenue Code of 1986 which is exempt from taxation under section 501(a) of such Code; or

(B) an organization that has been historically single-sex, the active membership of which consists primarily of students or alumni of an institution of higher education or multiple institutions of higher education.

PART C—COST OF HIGHER EDUCATION

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SEC. 132. TRANSPARENCY IN COLLEGE TUITION FOR CONSUMERS.

(a) DEFINITIONS.—In this section:

(1) COLLEGE NAVIGATOR WEBSITE.—The term "College Navigator website" means the College Navigator website operated by the Department and includes any successor website.

(2) COST OF ATTENDANCE.—The term "cost of attendance" means the average annual cost of tuition and fees, room and board, books, supplies, and transportation for an institution of higher education for a first-time, full-time undergraduate student enrolled in the institution.

(3) NET PRICE.—The term "net price" means the average yearly price actually charged to first-time, full-time undergraduate students receiving student aid at an institution of higher education after deducting such aid, which shall be determined by calculating the difference between—

(A) the institution's cost of attendance for the year for which the determination is made; and

(B) the quotient of—

(i) the total amount of need-based grant aid and merit-based grant aid, from Federal, State, and institutional sources, provided to such students enrolled in the institution for such year; and

(ii) the total number of such students receiving such need-based grant aid or merit-based grant aid for such year.

(4) TUITION AND FEES.—The term "tuition and fees" means the average annual cost of tuition and fees for an institution of higher education for first-time, full-time undergraduate students enrolled in the institution.

(b) CALCULATIONS FOR PUBLIC INSTITUTIONS.—In making the calculations regarding cost of attendance, net price, and tuition and fees under this section with respect to a public institution of higher education, the Secretary shall calculate the cost of attendance, net price, and tuition and fees at such institution in the manner described in subsection (a), except that—

(1) the cost of attendance, net price, and tuition and fees shall be calculated for first-time, full-time undergraduate students enrolled in the institution who are residents of the State in which such institution is located; and

(2) in determining the net price, the average need-based grant aid and merit-based grant aid described in subsection

(a)(3)(B) shall be calculated based on the average total amount of such aid received by first-time, full-time undergraduate students who are residents of the State in which such institution is located, divided by the total number of such resident students receiving such need-based grant aid or merit-based grant aid at such institution.

(c) COLLEGE AFFORDABILITY AND TRANSPARENCY LISTS.—

(1) AVAILABILITY OF LISTS.—Beginning July 1, 2011, the Secretary shall make publicly available on the College Navigator website, in a manner that is sortable and searchable by State, the following:

(A) A list of the five percent of institutions in each category described in subsection (d) that have the highest tuition and fees for the most recent academic year for which data are available.

(B) A list of the five percent of institutions in each such category that have the highest net price for the most recent academic year for which data are available.

(C) A list of the five percent of institutions in each such category that have the largest increase, expressed as a percentage change, in tuition and fees over the most recent three academic years for which data are available, using the first academic year of the three-year period as the base year to compute such percentage change.

(D) A list of the five percent of institutions in each such category that have the largest increase, expressed as a percentage change, in net price over the most recent three academic years for which data are available, using the first academic year of the three-year period as the base year to compute such percentage change.

(E) A list of the ten percent of institutions in each such category that have the lowest tuition and fees for the most recent academic year for which data are available.

(F) A list of the ten percent of institutions in each such category that have the lowest net price for the most recent academic year for which data are available.

(2) ANNUAL UPDATES.—The Secretary shall annually update the lists described in paragraph (1) on the College Navigator website.

(d) CATEGORIES OF INSTITUTIONS.—The lists described in subsection (c)(1) shall be compiled according to the following categories of institutions that participate in programs under title IV:

(1) Four-year public institutions of higher education.

(2) Four-year private, nonprofit institutions of higher education.

(3) Four-year private, for-profit institutions of higher education.

(4) Two-year public institutions of higher education.

(5) Two-year private, nonprofit institutions of higher education.

(6) Two-year private, for-profit institutions of higher education.

(7) Less than two-year public institutions of higher education.

(8) Less than two-year private, nonprofit institutions of higher education.

(9) Less than two-year private, for-profit institutions of higher education.

(e) REPORTS BY INSTITUTIONS.—

(1) REPORT TO SECRETARY.—If an institution of higher education is included on a list described in subparagraph (C) or (D) of subsection (c)(1), the institution shall submit to the Secretary a report containing the following information:

(A) A description of the major areas in the institution's budget with the greatest cost increases.

(B) An explanation of the cost increases described in subparagraph (A).

(C) A description of the steps the institution will take toward the goal of reducing costs in the areas described in subparagraph (A).

(D) In the case of an institution that is included on the same list under subparagraph (C) or (D) of subsection (c)(1) for two or more consecutive years, a description of the progress made on the steps described in subparagraph (C) of this paragraph that were included in the institution's report for the previous year.

(E) If the determination of any cost increase described in subparagraph (A) is not within the exclusive control of the institution—

(i) an explanation of the extent to which the institution participates in determining such cost increase;

(ii) the identification of the agency or instrumentality of State government responsible for determining such cost increase; and

(iii) any other information the institution considers relevant to the report.

(2) INFORMATION TO THE PUBLIC.—The Secretary shall—

(A) issue an annual report that summarizes all of the reports by institutions required under paragraph (1) to the authorizing committees; and

(B) publish such report on the College Navigator website.

(f) EXEMPTIONS.—

(1) IN GENERAL.—An institution shall not be placed on a list described in subparagraph (C) or (D) of subsection (c)(1), and shall not be subject to the reporting required under subsection (e), if the dollar amount of the institution's increase in tuition and fees, or net price, as applicable, is less than $600 for the three-year period described in such subparagraph.

(2) UPDATE.—Beginning in 2014, and every three years thereafter, the Secretary shall update the dollar amount described in paragraph (1) based on annual increases in inflation, using the Consumer Price Index for each of the three most recent preceding years.

(g) STATE HIGHER EDUCATION SPENDING CHART.—The Secretary shall annually report on the College Navigator website, in charts for each State, comparisons of—

(1) the percentage change in spending by such State per full-time equivalent student at all public institutions of higher edu-

cation in such State, for each of the five most recent preceding academic years;

(2) the percentage change in tuition and fees for such students for all public institutions of higher education in such State for each of the five most recent preceding academic years; and

(3) the percentage change in the total amount of need-based aid and merit-based aid provided by such State to full-time students enrolled in the public institutions of higher education in the State for each of the five most recent preceding academic years.

(h) NET PRICE CALCULATOR.—

(1) DEVELOPMENT OF NET PRICE CALCULATOR.—Not later than one year after the date of enactment of theHigher Education Opportunity Act, the Secretary shall, in consultation with institutions of higher education and other appropriate experts, develop a net price calculator to help current and prospective students, families, and other consumers estimate the individual net price of an institution of higher education for a student. The calculator shall be developed in a manner that enables current and prospective students, families, and consumers to determine an estimate of a current or prospective student's individual net price at a particular institution.

(2) CALCULATION OF INDIVIDUAL NET PRICE.—For purposes of this subsection, an individual net price of an institution of higher education shall be calculated in the same manner as the net price of such institution is calculated under subsection (a)(3), except that the cost of attendance and the amount of need-based and merit-based aid available shall be calculated for the individual student as much as practicable*, and, not later than 1 year after the date of enactment of the College Affordability Act, shall meet the requirements of paragraph (4)(C)*.

(3) USE OF NET PRICE CALCULATOR BY INSTITUTIONS.—Not later than two years after the date on which the Secretary makes the calculator developed under paragraph (1) available to institutions of higher education, each institution of higher education that receives Federal funds under title IV shall make publicly available on the institution's website a net price calculator to help current and prospective students, families, and other consumers estimate a student's individual net price at such institution of higher education. *Not later than 1 year after the date of enactment of the College Affordability Act, such calculator shall meet the requirements of paragraph (4).* Such calculator may be a net price calculator developed—

(A) by the Department pursuant to paragraph (1); or

(B) by the institution of higher education, if the institution's calculator includes, at a minimum, the same data elements included in the calculator developed under paragraph (1).

(4) MINIMUM REQUIREMENTS FOR NET PRICE CALCULATORS Not later than 1 year after the date of enactment of the College Affordability Act, a net price calculator for an institution of higher education shall, at a minimum, meet the following requirements:

(A) The link for the calculator—

(i) is clearly labeled as a "net price calculator" and prominently, clearly, and conspicuously (in such size and contrast (such as shade) that it is readily noticeable and readable) posted in locations on the institution's website where information on costs and aid is provided (such as financial aid, prospective students, or tuition and fees web pages);

(ii) matches in size and font to the other prominent links on the primary menu; and

(iii) may also be included on the institution's compliance web page, which contains information relating to compliance with Federal, State, and local laws.

(B) The input screen for the net price calculator displays a chart of the net prices for students receiving Federal student financial aid under title IV (as required by subsection (i)(5)) for the most recent academic year for which data are available, disaggregated by income categories.

(C) The results screen for the calculator specifies the following information:

(i) The individual net price (as calculated under paragraph (2)) for the individual student, which is the most visually prominent figure on the results screen, including a statement of—

(I) the year for which the net price applies; and

(II) the year from which the data was used to determine that net price.

(ii) Cost of attendance, including—

(I) the total estimated cost for a student to complete the program of study, based on normal time for completion of, or graduation from, the student's particular program of study;

(II) the total annual cost of attendance;

(III) annual tuition and fees;

(IV) average annual cost of room and board for the institution for a first-time, full-time undergraduate student enrolled in the institution;

(V) average annual cost of books and supplies for a first-time, full-time undergraduate student enrolled in the institution;

(VI) estimated annual cost of other expenses (including personal expenses and transportation) for a first-time, full-time undergraduate student enrolled in the institution; and

(VII) a statement of—

(aa) the year for which each cost described in this clause applies; and

(bb) the year from which the data was used to determine each cost described in this clause.

(iii) Estimated total need-based grant aid and merit-based grant aid, from Federal, State, and institutional sources, that may be available to the individual student, showing the subtotal for each category and the total of all sources of grant aid, and disaggregated by academic year for normal time for completion of, or

graduation from, the student's particular program of study.

(iv) Percentage of the first-time, full-time undergraduate students enrolled in the institution that received any type of grant aid described in clause (iii), disaggregated by their first year and subsequent years of enrollment up to the number of years for normal completion of, or graduation from, their particular program of study.

(v) The disclaimer described in paragraph (6).

(vi) In the case of a calculator that—

(I) includes questions to estimate a student's (or prospective student's) eligibility for veterans' education benefits (as defined in section 480) or educational benefits for active duty service members, such benefits are displayed on the results screen in a manner that clearly distinguishes them from the grant aid described in clause (iii); or

(II) does not include questions to estimate eligibility for the benefits described in subclause (I), the results screen indicates—

(aa) that certain students (or prospective students) may qualify for such benefits;

(bb) states why the institution is not including questions to estimate a student's eligibility for such benefits; and

(cc) includes a link to an appropriate Federal website that provides information about such benefits.

(D) The institution populates the calculator with data from not earlier than 2 academic years prior to the most recent academic year.

(5) PROHIBITION ON USE OF DATA COLLECTED BY THE NET PRICE CALCULATOR A net price calculator for an institution of higher education shall—

(A) clearly indicate which questions are required to be completed for an estimate of the net price from the calculator;

(B) in the case of a calculator that requests contact information from users, clearly mark such requests as "optional";

(C) prohibit any personally identifiable information provided by users from being sold or made available to third parties; and

(D) clearly state "Any information that you provide on this site is confidential. The Net Price Calculator does not store your responses or require personal identifying information of any kind.".

[(4)**]** *(6)* DISCLAIMER.—Estimates of an individual net price determined using a net price calculator required under paragraph (3) shall be accompanied by a clear and conspicuous notice—

(A) stating that the estimate—

(i) does not represent a final determination, or actual award, of financial assistance;

(ii) shall not be binding on the Secretary, the institution of higher education, or the State; and

(iii) may change;

(B) stating that the student must complete the Free Application for Federal Student Aid described in section 483 in order to be eligible for, and receive, an actual financial aid award that includes Federal grant, loan, or work-study assistance under title IV; and

(C) including a link to the website of the Department that allows students to access the Free Application for Federal Student Aid described in section 483.

(7) UNIVERSAL NET PRICE CALCULATOR.—

(A) IN GENERAL.—The Secretary may develop a universal net price calculator that is housed within the Department of Education, with Department branding, and that may be based on or utilize an existing platform developed by a public or private entity, that—

(i) enables users to answer one set of questions and receive net prices for any institution that is required to have a net price calculator under this subsection;

(ii) provides the information required under subparagraphs (C) and (D) of paragraph (4) for each institution for which a net price is being sought;

(iii) is developed in consultation with the heads of relevant Federal agencies; and

(iv) before being finalized and publicly released, is tested in accordance with subparagraph (B).

(B) CONSUMER TESTING.—

(i) IN GENERAL.—If the Secretary develops a universal net price calculator under subparagraph (A), the Secretary, in consultation with the heads of relevant Federal agencies, shall establish a process to submit the universal net price calculator developed under this paragraph for consumer testing among representatives of students (including low-income students, first generation college students, adult students, and prospective students), students' families (including low-income families, families with first generation college students, and families with prospective students), institutions of higher education, secondary school and postsecondary counselors, and nonprofit consumer groups.

(ii) LENGTH OF CONSUMER TESTING.—The Secretary shall ensure that the consumer testing lasts no longer than 6 months after the process for consumer testing is developed under clause (i).

(iii) USE OF RESULTS.—The results of consumer testing under clause (i) shall be used in the final development of the universal net price calculator.

(iv) REPORTING REQUIREMENT.—Not later than 3 months after the date the consumer testing under clause (i) concludes, the Secretary shall submit to Congress the final universal net price calculator and a report detailing the results of such testing, including whether the Secretary added any additional items to the calculator as a result of such testing.

(v) AUTHORITY TO MODIFY.—The Secretary may modify the definitions, terms, formatting, and design of the universal net price calculator based on the results of consumer testing required under this paragraph and before finalizing the calculator.

(8) REPORT FROM SECRETARY.—Not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall submit a report to Congress on steps taken to raise awareness of net price calculators among prospective students and families, particularly among students in middle school and high school and students from low-income families.

(i) CONSUMER INFORMATION.—

(1) AVAILABILITY OF TITLE IV INSTITUTION INFORMATION.—Not later than one year after the date of enactment of theHigher Education Opportunity Act, the Secretary shall make publicly available on the College Navigator website, in simple and understandable terms, the following information about each institution of higher education that participates in programs under title IV, for the most recent academic year for which satisfactory data are available:

(A) A statement of the institution's mission.

(B) The total number of undergraduate students who applied to, were admitted by, and enrolled in the institution.

(C) For institutions that require SAT or ACT scores to be submitted, the reading, writing, mathematics, and combined scores on the SAT or ACT, as applicable, for the middle 50 percent range of the institution's freshman class.

(D) The number of first-time, full-time, and part-time students enrolled at the institution, at the undergraduate and (if applicable) graduate levels.

(E) The number of degree- or certificate-seeking undergraduate students enrolled at the institution who have transferred from another institution.

(F) The percentages of male and female undergraduate students enrolled at the institution.

(G) Of the first-time, full-time, degree- or certificate-seeking undergraduate students enrolled at the institution—

(i) the percentage of such students who are from the State in which the institution is located;

(ii) the percentage of such students who are from other States; and

(iii) the percentage of such students who are international students.

(H) The percentages of first-time, full-time, degree- or certificate-seeking students enrolled at the institution, disaggregated by race and ethnic background.

(I) The percentage of undergraduate students enrolled at the institution who are formally registered with the office of disability services of the institution (or the equivalent office) as students with disabilities, except that if such percentage is three percent or less, the institution shall report "three percent or less".

(J) The percentages of first-time, full-time, degree- or certificate-seeking undergraduate students enrolled at the institution who obtain a degree or certificate within—

(i) the normal time for completion of, or graduation from, the student's program;

(ii) 150 percent of the normal time for completion of, or graduation from, the student's program; and

(iii) 200 percent of the normal time for completion of, or graduation from, the student's program;

(K) The number of certificates, associate degrees, baccalaureate degrees, master's degrees, professional degrees, and doctoral degrees awarded by the institution.

(L) The undergraduate major areas of study at the institution with the highest number of degrees awarded.

(M) The student-faculty ratio, the number of full-time and part-time faculty, and the number of graduate assistants with primarily instructional responsibilities, at the institution.

(N)(i) The cost of attendance for first-time, full-time undergraduate students enrolled in the institution who live on campus;

(ii) the cost of attendance for first-time, full-time undergraduate students enrolled in the institution who live off campus; and

(iii) in the case of a public institution of higher education and notwithstanding subsection (b)(1), the costs described in clauses (i) and (ii), for—

(I) first-time, full-time students enrolled in the institution who are residents of the State in which the institution is located; and

(II) first-time, full-time students enrolled in the institution who are not residents of such State.

(O) The average annual grant amount (including Federal, State, and institutional aid) awarded to a first-time, full-time undergraduate student enrolled at the institution who receives financial aid.

(P) The average annual amount of Federal student loans provided through the institution to undergraduate students enrolled at the institution.

(Q) The total annual grant aid awarded to undergraduate students enrolled at the institution, from the Federal Government, a State, the institution, and other sources known by the institution.

(R) The percentage of first-time, full-time undergraduate students enrolled at the institution receiving Federal, State, and institutional grants, student loans, and any other type of student financial assistance known by the institution, provided publicly or through the institution, such as Federal work-study funds.

(S) The number of students enrolled at the institution receiving Federal Pell Grants.

(T) The institution's cohort default [rate,] *rate and adjusted cohort default rate,* as defined under section 435(m).

(U) The information on campus safety required to be collected under section 485(i).

(V) A link to the institution's website that provides, in an easily accessible manner, the following information:

(i) Student activities offered by the institution.

(ii) Services offered by the institution for individuals with disabilities.

(iii) Career and placement services offered by the institution to students during and after enrollment.

(iv) Policies of the institution related to transfer of credit from other institutions.

(W) A link to the appropriate section of the Bureau of Labor Statistics website that provides information on regional data on starting salaries in all major occupations.

(X) Information required to be submitted under paragraph (4) and a link to the institution pricing summary page described in paragraph (5).

(Y) In the case of an institution that was required to submit a report under subsection (e)(1), a link to such report.

(Z) The availability of alternative tuition plans, which may include guaranteed tuition plans.

(AA) The institution's expenditures on each of the following:

(i) Instruction.

(ii) Student services.

(iii) Marketing.

(iv) Recruitment.

(v) Advertising.

(vi) Lobbying.

(2) ANNUAL UPDATES.—The Secretary shall annually update the information described in paragraph (1) on the College Navigator website.

(3) CONSULTATION.—The Secretary shall regularly consult with current and prospective college students, family members of such students, institutions of higher education, and other experts to improve the usefulness and relevance of the College Navigator website, with respect to the presentation of the consumer information collected in paragraph (1).

(4) DATA COLLECTION.—The Commissioner for Education Statistics shall continue to update and improve the Integrated Postsecondary Education Data System (referred to in this section as "IPEDS"), including the reporting of information by institutions and the timeliness of the data collected.

(5) INSTITUTION PRICING SUMMARY PAGE.—

(A) AVAILABILITY OF LIST OF PARTICIPATING INSTITUTIONS.—The Secretary shall make publicly available on the College Navigator website in a sortable and searchable format a list of all institutions of higher education that participate in programs under title IV, which list shall, for each institution, include the following:

(i) The tuition and fees for each of the three most recent academic years for which data are available.

(ii) The net price for each of the three most recent available academic years for which data are available.

(iii)(I) During the period beginning July 1, 2010, and ending June 30, 2013, the net price for students re-

ceiving Federal student financial aid under title IV, disaggregated by the income categories described in paragraph (6), for the most recent academic year for which data are available.

(II) Beginning July 1, 2013, the net price for students receiving Federal student financial aid under title IV, disaggregated by the income categories described in paragraph (6), for each of the three most recent academic years for which data are available.

(iv) The average annual percentage change and average annual dollar change in such institution's tuition and fees for each of the three most recent academic years for which data are available.

(v) The average annual percentage change and average annual dollar change in such institution's net price for each of the three most recent preceding academic years for which data are available.

(vi) A link to the webpage on the College Navigator website that provides the information described in paragraph (1) for the institution.

(B) ANNUAL UPDATES.—The Secretary shall annually update the lists described in subparagraph (A) on the College Navigator website.

(6) INCOME CATEGORIES.—

(A) IN GENERAL.—For purposes of reporting the information required under this subsection, the following income categories shall apply for students who receive Federal student financial aid under title IV:

(i) $0–30,000.
(ii) $30,001–48,000.
(iii) $48,001–75,000.
(iv) $75,001–110,000.
(v) $110,001 and more.

(B) ADJUSTMENT.—The Secretary may adjust the income categories listed in subparagraph (A) using the Consumer Price Index if the Secretary determines such adjustment is necessary.

(j) MULTI-YEAR TUITION CALCULATOR.—

(1) DEVELOPMENT OF MULTI-YEAR TUITION CALCULATOR.—Not later than one year after the date of enactment of theHigher Education Opportunity Act, the Secretary shall, in consultation with institutions of higher education, financial planners, and other appropriate experts, develop a multi-year tuition calculator to help current and prospective students, families of such students, and other consumers estimate the amount of tuition an individual may pay to attend an institution of higher education in future years.

(2) CALCULATION OF MULTI-YEAR TUITION.—The multi-year tuition calculator described in paragraph (1) shall—

(A) allow an individual to select an institution of higher education for which the calculation shall be made;

(B) calculate an estimate of tuition and fees for each year of the normal duration of the program of study at such institution by—

(i) using the tuition and fees for such institution, as reported under subsection (i)(5)(A)(i), for the most recent academic year for which such data are reported; and

(ii) determining an estimated annual percentage change for each year for which the calculation is made, based on the annual percentage change in such institution's tuition and fees, as reported under subsection (i)(5)(A)(iv), for the most recent three-year period for which such data are reported;

(C) calculate an estimate of the total amount of tuition and fees to complete a program of study at such institution, based on the normal duration of such program, using the estimate calculated under subparagraph (B) for each year of the program of study;

(D) provide the individual with the option to replace the estimated annual percentage change described in subparagraph (B)(ii) with an alternative annual percentage change specified by the individual, and calculate an estimate of tuition and fees for each year and an estimate of the total amount of tuition and fees using the alternative percentage change;

(E) in the case of an institution that offers a multi-year tuition guarantee program, allow the individual to have the estimates of tuition and fees described in subparagraphs (B) and (C) calculated based on the provisions of such guarantee program for the tuition and fees charged to a student, or cohort of students, enrolled for the duration of the program of study; and

(F) include any other features or information determined to be appropriate by the Secretary.

(3) AVAILABILITY AND COMPARISON.—The multi-year tuition calculator described in paragraph (1) shall be available on the College Navigator website and shall allow current and prospective students, families of such students, and consumers to compare information and estimates under this subsection for multiple institutions of higher education.

(4) DISCLAIMER.—Each calculation of estimated tuition and fees made using the multi-year tuition calculator described in paragraph (1) shall be accompanied by a clear and conspicuous notice—

(A) stating that the calculation—

(i) is only an estimate and not a guarantee of the actual amount the student may be charged;

(ii) is not binding on the Secretary, the institution of higher education, or the State; and

(iii) may change, subject to the availability of financial assistance, State appropriations, and other factors;

(B) stating that the student must complete the Free Application for Federal Student Aid described in section 483 in order to be eligible for, and receive, an actual financial aid award that includes Federal grant, loan, or work-study assistance under title IV; and

(C) including a link to the website of the Department that allows students to access the Free Application for Federal Student Aid described in section 483.

(k) STUDENT AID RECIPIENT SURVEY.—

(1) SURVEY REQUIRED.—The Secretary, acting through the Commissioner for Education Statistics, shall conduct, on a State-by-State basis, a survey of recipients of Federal student financial aid under title IV—

(A) to identify the population of students receiving such Federal student financial aid;

(B) to describe the income distribution and other socioeconomic characteristics of recipients of such Federal student financial aid;

(C) to describe the combinations of aid from Federal, State, and private sources received by such recipients from all income categories;

(D) to describe the—

(i) debt burden of such loan recipients, and their capacity to repay their education debts; and

(ii) the impact of such debt burden on the recipients' course of study and post-graduation plans;

(E) to describe the impact of the cost of attendance of postsecondary education in the determination by students of what institution of higher education to attend; and

(F) to describe how the costs of textbooks and other instructional materials affect the costs of postsecondary education for students.

(2) FREQUENCY.—The survey shall be conducted on a regular cycle and not less often than once every four years.

(3) SURVEY DESIGN.—The survey shall be representative of students from all types of institutions, including full-time and part-time students, undergraduate, graduate, and professional students, and current and former students.

(4) DISSEMINATION.—The Commissioner for Education Statistics shall disseminate to the public, in printed and electronic form, the information resulting from the survey.

(l) POSTSECONDARY STUDENT DATA SYSTEM.—

(1) IN GENERAL.—

(A) ESTABLISHMENT OF SYSTEM.—The Commissioner of the National Center for Education Statistics (referred to in this subsection as the "Commissioner") shall develop and maintain a secure, privacy-protected postsecondary student-level data system in order to—

(i) accurately evaluate student enrollment patterns, progression, completion, and postcollegiate outcomes, and higher education costs and financial aid;

(ii) assist with transparency, institutional improvement, and analysis of Federal aid programs;

(iii) provide accurate, complete, and customizable information for students and families making decisions about postsecondary education; and

(iv) reduce the reporting burden on institutions of higher education, in accordance with section 1022(b)(2) of the College Affordability Act.

(B) AVOIDING DUPLICATED REPORTING.—Notwithstanding any other provision of this section, to the extent that another provision of this section requires the same reporting or collection of data that is required under this subsection, an institution of higher education, or the Secretary or Commissioner, may use the reporting or data required for the postsecondary student data system under this subsection to satisfy both requirements.

(C) DEVELOPMENT PROCESS.—In developing the postsecondary student data system described in this subsection, the Commissioner shall—

(i) focus on the needs of—

(I) users of the data system; and

(II) entities, including institutions of higher education, reporting to the data system;

(ii) take into consideration, to the extent practicable—

(I) the guidelines outlined in the U.S. Web Design Standards maintained by the General Services Administration and the Digital Services Playbook and TechFAR Handbook for Procuring Digital Services Using Agile Processes of the U.S. Digital Service; and

(II) the relevant successor documents or recommendations of such guidelines;

(iii) use modern, relevant privacy- and security-enhancing technology, and enhance and update the data system as necessary to carry out the purpose of this subsection;

(iv) ensure data privacy and security is consistent with any Federal law relating to privacy or data security, including—

(I) the requirements of subchapter II of chapter 35 of title 44, United States Code, specifying security categorization under the Federal Information Processing Standards or any relevant successor of such standards;

(II) security requirements that are consistent with the Federal agency responsibilities in section 3554 of title 44, United States Code, or any relevant successor of such responsibilities; and

(III) security requirements, guidelines, and controls consistent with cybersecurity standards and best practices developed by the National Institute of Standards and Technology, including frameworks, consistent with section 2(c) of the National Institute of Standards and Technology Act (15 U.S.C. 272(c)), or any relevant successor of such frameworks;

(v) follow Federal data minimization practices to ensure only the minimum amount of data is collected to meet the system's goals, in accordance with Federal data minimization standards and guidelines developed by the National Institute of Standards and Technology; and

(vi) provide notice to students outlining the data included in the system and how the data are used.

(2) DATA ELEMENTS.—

(A) IN GENERAL.—The Commissioner, in consultation with the Postsecondary Student Data System Advisory Committee established under subparagraph (B), shall determine—

(i) the data elements to be included in the postsecondary student data system, in accordance with subparagraphs (C) and (D); and

(ii) how to include the data elements required under subparagraph (C), and any additional data elements selected under subparagraph (D), in the postsecondary student data system.

(B) POSTSECONDARY STUDENT DATA SYSTEM ADVISORY COMMITTEE.—

(i) ESTABLISHMENT.—The Commissioner shall establish a Postsecondary Student Data System Advisory Committee (referred to in this subsection as the "Advisory Committee"), whose members shall include—

(I) the Chief Privacy Officer of the Department or an official of the Department delegated the duties of overseeing data privacy at the Department;

(II) the Chief Security Officer of the Department or an official of the Department delegated the duties of overseeing data security at the Department;

(III) representatives of diverse institutions of higher education, which shall include equal representation between 2-year and 4-year institutions of higher education, and from public, nonprofit, and proprietary institutions of higher education, including minority-serving institutions;

(IV) representatives from State higher education agencies, entities, bodies, or boards;

(V) representatives of postsecondary students;

(VI) representatives from relevant Federal agencies; and

(VII) other stakeholders (including individuals with expertise in data privacy and security, consumer protection, and postsecondary education research).

(ii) REQUIREMENTS.—The Commissioner shall ensure that the Advisory Committee—

(I) adheres to all requirements under the Federal Advisory Committee Act (5 U.S.C. App.);

(II) establishes operating and meeting procedures and guidelines necessary to execute its advisory duties; and

(III) is provided with appropriate staffing and resources to execute its advisory duties.

(C) REQUIRED DATA ELEMENTS.—The data elements in the postsecondary student data system shall include, at a minimum, the following:

(i) Student-level data elements necessary to calculate the information within the surveys designated by the

Commissioner as "student-related surveys" in the Integrated Postsecondary Education Data System (IPEDS), as such surveys are in effect on the day before the date of enactment of the College Affordability Act, except that in the case that collection of such elements would conflict with subparagraph (F), such elements in conflict with subparagraph (F) shall be included in the aggregate instead of at the student level.

(ii) Student-level data elements necessary to allow for reporting student enrollment, persistence, retention, transfer, and completion measures for all credential levels separately (including certificate, associate, baccalaureate, and advanced degree levels), within and across institutions of higher education (including across all categories of institution level, control, and predominant degree awarded). The data elements shall allow for reporting about all such data disaggregated by the following categories:

(I) Enrollment status as a first-time student, recent transfer student, or other non-first-time student.

(II) Attendance intensity, whether full-time or part-time.

(III) Credential-seeking status, by credential level.

(IV) Race or ethnicity (in accordance with section 153(a)(3)(B) of the Education Sciences Reform Act (20 U.S.C. 9543(a)(3)(B))).

(V) Age intervals.

(VI) Gender.

(VII) Program of study (as applicable).

(VIII) Military or veteran benefit status (as determined based on receipt of veteran's education benefits, as defined in section 480(c)).

(IX) Status as a distance education student, whether exclusively or partially enrolled in distance education.

(X) Federal Pell Grant and Federal loan recipient status, provided that the collection of such information complies with paragraph (1)(B).

(D) OTHER DATA ELEMENTS.—

(i) IN GENERAL.—The Commissioner may, after consultation with the Advisory Committee and provision of a public comment period, include additional data elements in the postsecondary student data system, such as those described in clause (ii), if those data elements—

(I) are necessary to ensure that the postsecondary data system fulfills the purposes described in paragraph (1)(A); and

(II) are consistent with data minimization principles, including the collection of only those additional elements that are necessary to ensure such purposes.

(ii) DATA ELEMENTS.—The data elements described in clause (i) may include—

(I) status as a first generation college student (as defined in section 402A(h));

(II) economic status;

(III) participation in postsecondary remedial coursework or gateway course completion; or

(IV) other data elements that are necessary in accordance with clause (i).

(E) REEVALUATION.—Not less than once every 3 years after the implementation of the postsecondary student data system described in this subsection, the Commissioner, in consultation with the Advisory Committee described in subparagraph (B), shall review the data elements included in the postsecondary student data system and may revise the data elements to be included in such system.

(F) PROHIBITIONS.—The Commissioner shall not include individual health data (including data relating to physical health or mental health), student discipline records or data, elementary and secondary education data, an exact address, citizenship status, migrant status, or national origin status for students or their families, course grades, postsecondary entrance examination results, political affiliation, or religion in the postsecondary student data system under this subsection.

(3) PERIODIC MATCHING WITH OTHER FEDERAL DATA SYSTEMS.—

(A) DATA SHARING AGREEMENTS.—

(i) The Commissioner shall ensure secure, periodic data matches by entering into data sharing agreements with each of the following Federal agencies and offices:

(I) The Secretary of the Treasury and the Commissioner of the Internal Revenue Service, in order to calculate aggregate program- and institution-level earnings of postsecondary students.

(II) The Secretary of Defense, in order to assess the use of postsecondary educational benefits and the outcomes of servicemembers.

(III) The Secretary of Veterans Affairs, in order to assess the use of postsecondary educational benefits and outcomes of veterans.

(IV) The Director of the Bureau of the Census, in order to assess the occupational and earnings outcomes of former postsecondary education students.

(V) The Chief Operating Officer of the Office of Federal Student Aid, in order to analyze the use of postsecondary educational benefits provided under this Act.

(ii) The heads of Federal agencies and offices described under clause (i) shall enter into data sharing agreements with the Commissioner to ensure secure, periodic data matches as described in this paragraph.

(B) CATEGORIES OF DATA.—The Commissioner shall, at a minimum, seek to ensure that the secure periodic data system matches described in subparagraph (A) permit con-

sistent reporting of the following categories of data for all postsecondary students:

(i) Enrollment, retention, transfer, and completion outcomes for all postsecondary students.

(ii) Financial indicators for postsecondary students receiving Federal grants and loans, including grant and loan aid by source, cumulative student debt, loan repayment status, and repayment plan.

(iii) Post-completion outcomes for all postsecondary students, including earnings, employment, and further education, by program of study and credential level and as measured—

(I) immediately after leaving postsecondary education; and

(II) at time intervals appropriate to the credential sought and earned.

(C) PERIODIC DATA MATCH STREAMLINING AND CONFIDENTIALITY.—

(i) STREAMLINING.—In carrying out the secure periodic data system matches under this paragraph, the Commissioner shall—

(I) ensure that such matches are not continuous, but occur at appropriate intervals, as determined by the Commissioner; and

(II) seek to—

(aa) streamline the data collection and reporting requirements for institutions of higher education;

(bb) minimize duplicative reporting across or within Federal agencies or departments, including reporting requirements applicable to institutions of higher education under the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.) and the Carl D. Perkins Career and Technical Education Act of 2006;

(cc) protect student privacy; and

(dd) streamline the application process for student loan benefit programs available to borrowers based on data available from different Federal data systems.

(ii) REVIEW.—Not less often than once every 3 years after the establishment of the postsecondary student data system under this subsection, the Commissioner, in consultation with the Advisory Committee, shall review methods for streamlining data collection from institutions of higher education and minimizing duplicative reporting within the Department and across Federal agencies that provide data for the postsecondary student data system.

(iii) CONFIDENTIALITY.—The Commissioner shall ensure that any periodic matching or sharing of data through periodic data system matches established in accordance with this paragraph—

(I) complies with the security and privacy protections described in paragraph (1)(C)(iv) and other Federal data protection protocols;

(II) follows industry best practices commensurate with the sensitivity of specific data elements or metrics;

(III) does not result in the creation of a single standing, linked Federal database at the Department that maintains the information reported across other Federal agencies; and

(IV) discloses to postsecondary students what data are included in the data system and periodically matched and how the data are used.

(iv) CORRECTION.—The Commissioner, in consultation with the Advisory Committee, shall establish a process for students to request access to only their personal information for inspection and request corrections to inaccuracies in a manner that protects the student's personally identifiable information. The Commissioner shall respond in writing to every request for a correction from a student.

(4) PUBLICLY AVAILABLE INFORMATION.—

(A) IN GENERAL.—The Commissioner shall make the summary aggregate information described in subparagraph (C), at a minimum, publicly available through a user-friendly consumer information website and analytic tool that—

(i) provides appropriate mechanisms for users to customize and filter information by institutional and student characteristics;

(ii) allows users to build summary aggregate reports of information, including reports that allow comparisons across multiple institutions and programs, subject to subparagraph (B);

(iii) uses appropriate statistical disclosure limitation techniques necessary to ensure that the data released to the public cannot be used to identify specific individuals; and

(iv) provides users with appropriate contextual factors to make comparisons, which may include national median figures of the summary aggregate information described in subparagraph (C).

(B) NO PERSONALLY IDENTIFIABLE INFORMATION AVAILABLE.—The summary aggregate information described in this paragraph shall not include personally identifiable information.

(C) SUMMARY AGGREGATE INFORMATION AVAILABLE.—The summary aggregate information described in this paragraph shall, at a minimum, include each of the following for each institution of higher education:

(i) Measures of student access, including—

(I) admissions selectivity and yield; and

(II) enrollment, disaggregated by each category described in paragraph (2)(C)(ii).

(ii) Measures of student progression, including retention rates and persistence rates, disaggregated by each category described in paragraph (2)(C)(ii).

(iii) Measures of student completion, including—

(I) transfer rates and completion rates, disaggregated by each category described in paragraph (2)(C)(ii); and

(II) number of completions, disaggregated by each category described in paragraph (2)(C)(ii).

(iv) Measures of student costs, including—

(I) tuition, required fees, total cost of attendance, and net price after total grant aid, disaggregated by in-State tuition or in-district tuition status (if applicable), program of study (if applicable), and credential level; and

(II) typical grant amounts and loan amounts received by students reported separately from Federal, State, local, and institutional sources, and cumulative debt, disaggregated by each category described in paragraph (2)(C)(ii) and completion status.

(v) Measures of postcollegiate student outcomes, including employment rates, mean and median earnings, loan repayment and default rates, and further education rates. These measures shall—

(I) be disaggregated by each category described in paragraph (2)(C)(ii) and completion status; and

(II) be measured immediately after leaving postsecondary education and at time intervals appropriate to the credential sought or earned.

(D) DEVELOPMENT CRITERIA.—In developing the method and format of making the information described in this paragraph publicly available, the Commissioner shall—

(i) focus on the needs of the users of the information, which will include students, families of students, potential students, researchers, and other consumers of education data;

(ii) take into consideration, to the extent practicable, the guidelines described in paragraph (1)(C)(ii)(I), and relevant successor documents or recommendations of such guidelines;

(iii) use modern, relevant technology and enhance and update the postsecondary student data system with information, as necessary to carry out the purpose of this paragraph;

(iv) ensure data privacy and security in accordance with standards and guidelines developed by the National Institute of Standards and Technology, and in accordance with any other Federal law relating to privacy or security, including complying with the requirements of subchapter II of chapter 35 of title 44, United States Code, specifying security categorization under the Federal Information Processing Standards, and security requirements, and setting of National Institute

of Standards and Technology security baseline controls at the appropriate level; and

(v) conduct consumer testing to determine how to make the information as meaningful to users as possible.

(5) PERMISSIBLE DISCLOSURES OF DATA.—

(A) DATA REPORTS AND QUERIES.—

(i) IN GENERAL.—The Commissioner shall develop and implement a secure process for making student-level, non-personally identifiable information, with direct identifiers removed, from the postsecondary student data system available for vetted research and evaluation purposes approved by the Commissioner in a manner compatible with practices for disclosing National Center for Education Statistics restricted-use survey data as in effect on the day before the date of enactment of the College Affordability Act, or by applying other research and disclosure restrictions to ensure data privacy and security. Such process shall be approved by the National Center for Education Statistics' Disclosure Review Board (or successor body).

(ii) PROVIDING DATA REPORTS AND QUERIES TO INSTITUTIONS AND STATES.—

(I) IN GENERAL.—The Commissioner shall provide feedback reports, at least annually, to each institution of higher education, each postsecondary education system that fully participates in the postsecondary student data system, and each State higher education body as designated by the governor.

(II) FEEDBACK REPORTS.—The feedback reports provided under this clause shall include program-level and institution-level information from the postsecondary student data system regarding students who are associated with the institution or, for State representatives, the institutions within that State, on or before the date of the report, on measures including student mobility and workforce outcomes, provided that the feedback aggregate summary reports protect the privacy of individuals.

(III) DETERMINATION OF CONTENT.—The content of the feedback reports shall be determined by the Commissioner, in consultation with the Advisory Committee.

(iii) PERMITTING STATE DATA QUERIES.—The Commissioner shall, in consultation with the Advisory Committee and as soon as practicable, create a process through which States may submit lists of secondary school graduates within the State to receive summary aggregate outcomes for those students who enrolled at an institution of higher education, including postsecondary enrollment and college completion, provided that those data protect the privacy of individuals and

that the State data submitted to the Commissioner are not stored in the postsecondary education system.

(iv) REGULATIONS.—The Commissioner shall promulgate regulations to ensure fair, secure, and equitable access to data reports and queries under this paragraph.

(B) DISCLOSURE LIMITATIONS.—In carrying out the public reporting and disclosure requirements of this subsection, the Commissioner shall use appropriate statistical disclosure limitation techniques necessary to ensure that the data released to the public cannot include personally identifiable information or be used to identify specific individuals.

(C) SALE OF DATA PROHIBITED.—Data collected under this subsection, including the public-use data set and data comprising the summary aggregate information available under paragraph (4), shall not be sold to any third party by the Commissioner, including any institution of higher education or any other entity.

(D) LIMITATION ON USE BY OTHER FEDERAL AGENCIES.—

(i) IN GENERAL.—The Commissioner shall not allow any other Federal agency to use data collected under this subsection for any purpose except—

(I) for vetted research and evaluation conducted by the other Federal agency, as described in subparagraph (A)(i); or

(II) for a purpose explicitly authorized by this subsection.

(ii) PROHIBITION ON LIMITATION OF SERVICES.—The Secretary, or the head of any other Federal agency, shall not use data collected under this subsection to limit services to students.

(E) LAW ENFORCEMENT.—Personally identifiable information collected under this subsection shall not be used for any Federal, State, or local law enforcement activity or any other activity that would result in adverse action against any student or a student's family, including debt collection activity or enforcement of immigration laws.

(F) LIMITATION OF USE FOR FEDERAL RANKINGS OR SUMMATIVE RATING SYSTEM.—The comprehensive data collection and analysis necessary for the postsecondary student data system under this subsection shall not be used by the Secretary or any Federal entity to establish any Federal ranking system of institutions of higher education or a system that results in a summative Federal rating of institutions of higher education.

(G) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prevent the use of individual categories of aggregate information to be used for accountability purposes.

(H) RULE OF CONSTRUCTION REGARDING COMMERCIAL USE OF DATA.—Nothing in this paragraph shall be construed to prohibit third-party entities from using publicly-available information in this data system for commercial use.

(6) SUBMISSION OF DATA.—

(A) REQUIRED SUBMISSION.—Each institution of higher education participating in a program under title IV, or the assigned agent of such institution, shall, in accordance with section 487(a)(17), collect, and submit to the Commissioner, the data requested by the Commissioner to carry out this subsection.

(B) VOLUNTARY SUBMISSION.—Any postsecondary institution not participating in a program under title IV may voluntarily participate in the postsecondary student data system under this subsection by collecting and submitting data to the Commissioner, as the Commissioner may request to carry out this subsection.

(C) PERSONALLY IDENTIFIABLE INFORMATION.—In accordance with paragraph (2)(C)(i), if the submission of an element of student-level data is prohibited under paragraph (2)(F) (or otherwise prohibited by law), the institution of higher education shall submit that data to the Commissioner in the aggregate.

(7) UNLAWFUL WILLFUL DISCLOSURE.—

(A) IN GENERAL.—It shall be unlawful for any person who obtains or has access to personally identifiable information in connection with the postsecondary student data system described in this subsection to willfully disclose to any person (except as authorized by Federal law) such personally identifiable information.

(B) PENALTY.—Any person who violates subparagraph (A) shall be subject to a penalty described under section 3572(f) of title 44, United States Code and section 183(d)(6) of the Education Sciences Reform Act of 2002 (20 U.S.C. 9573(d)(6)).

(C) EMPLOYEE OF OFFICER OF THE UNITED STATES.—If a violation of subparagraph (A) is committed by any officer or employee of the United States, the officer or employee shall be dismissed from office or discharged from employment upon conviction for the violation.

(8) DATA SECURITY.—The Commissioner shall produce and update as needed guidance and regulations relating to privacy, security, and access which shall govern the use and disclosure of data collected in connection with the activities authorized in this subsection. The guidance and regulations developed and reviewed shall protect data from unauthorized access, use, and disclosure, and shall include—

(A) an audit capability, including mandatory and regularly conducted audits;

(B) access controls;

(C) requirements to ensure sufficient data security, quality, validity, and reliability;

(D) student confidentiality protection in accordance with the Confidential Information Protection and Statistical Efficiency Act;

(E) appropriate and applicable privacy and security protection, including data retention and destruction protocols and data minimization, in accordance with the most recent Federal standards developed by the National Institute of Standards and Technology; and

(F) protocols for managing a breach, including breach notifications, in accordance with the standards of National Center for Education Statistics.

(9) DATA COLLECTION.—The Commissioner shall ensure that data collection, maintenance, and use under this subsection complies with section 552a of title 5, United States Code.

(10) DEFINITIONS.—In this subsection:

(A) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 102.

(B) PERSONALLY IDENTIFIABLE INFORMATION.—The term "personally identifiable information" has the meaning given the term in section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

[(l)**]** *(m)* REGULATIONS.—The Secretary is authorized to issue such regulations as may be necessary to carry out this section.

(n) AVOIDING DUPLICATIVE REPORTING.—If the Secretary determines that the same reporting or collection of data that is required under subsection (l) is required by another reporting or collection of data requirement under this Act (other than under subsection (l)), the Secretary may—

(1) use the data reported or collected under subsection (l); and

(2) waive the other reporting or collection of data requirement.

(o) NON-INSTRUCTIONAL SPENDING INCREASES.—The Secretary shall ensure, as part of the data collection and reporting under this section, that institutions of higher education with respect to which the amount expended by the institution for non-instructional spending increases by more than 5 percent (using year-over-year data) disclose such increase to students and prospective students, along with an analysis of the expected impact on tuition.

SEC. 133. TEXTBOOK INFORMATION.

(a) PURPOSE AND INTENT.—The purpose of this section is to ensure that students have access to affordable course materials by decreasing costs to students and enhancing transparency and disclosure with respect to the selection, purchase, sale, and use of course materials. It is the intent of this section to encourage all of the involved parties, including faculty, students, administrators, institutions of higher education, bookstores, distributors, and publishers, to work together to identify ways to decrease the cost of college textbooks and supplemental materials*, including through the adoption of innovative tools,* for students while supporting the academic freedom of faculty members to select high quality course materials for students.

(b) DEFINITIONS.—In this section:

(1) BUNDLE.—The term "bundle" means one or more college textbooks or other supplemental materials that may be packaged together to be sold as course materials for one price.

(2) COLLEGE TEXTBOOK.—The term "college textbook" means a textbook or a set of textbooks, used for, or in conjunction with, a course in postsecondary education at an institution of higher education.

(3) COURSE SCHEDULE.—The term "course schedule" means a listing of the courses or classes offered by an institution of

higher education for an academic period, as defined by the institution.

(4) CUSTOM TEXTBOOK.—The term "custom textbook"—

(A) means a college textbook that is compiled by a publisher at the direction of a faculty member or other person or adopting entity in charge of selecting course materials at an institution of higher education; and

(B) may include, alone or in combination, items such as selections from original instructor materials, previously copyrighted publisher materials, copyrighted third-party works, and elements unique to a specific institution, such as commemorative editions.

(5) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 102.

(6) INTEGRATED TEXTBOOK.—The term "integrated textbook" means a college textbook that is—

(A) combined with materials developed by a third party and that, by third-party contractual agreement, may not be offered by publishers separately from the college textbook with which the materials are combined; or

(B) combined with other materials that are so interrelated with the content of the college textbook that the separation of the college textbook from the other materials would render the college textbook unusable for its intended purpose.

(7) PUBLISHER.—The term "publisher" means a publisher of college textbooks or supplemental materials involved in or affecting interstate commerce.

(8) SUBSTANTIAL CONTENT.—The term "substantial content" means parts of a college textbook such as new chapters, new material covering additional eras of time, new themes, or new subject matter.

(9) SUPPLEMENTAL MATERIAL.—The term "supplemental material" means educational material developed [to accompany a] *to accompany or support a* college textbook that—

(A) may include printed [materials, computer disks, website access] *materials, online and digital learning platforms and materials, website access*, and electronically distributed materials; and

(B) is not being used as a component of an integrated textbook.

(c) PUBLISHER REQUIREMENTS.—

(1) COLLEGE TEXTBOOK PRICING INFORMATION.—When a publisher provides a faculty member or other person or adopting entity in charge of selecting course materials at an institution of higher education receiving Federal financial assistance with information regarding a college textbook or supplemental material, the publisher shall include, with any such information and in writing (which may include electronic communications), the following:

(A) The price at which the publisher would make the college textbook or supplemental material available to the bookstore on the campus of, or otherwise associated with, such institution of higher education and, if available, the

price at which the publisher makes the college textbook or supplemental material available to the public.

(B) The copyright dates of the three previous editions of such college textbook, if any.

(C) A description of the substantial content revisions made between the current edition of the college textbook or supplemental material and the previous edition, if any.

(D)(i) Whether the college textbook or supplemental material is available in any other format, including [paperback and unbound] *paperback, digital, and unbound*; and

(ii) for each other format of the college textbook or supplemental material, the price at which the publisher would make the college textbook or supplemental material in the other format available to the bookstore on the campus of, or otherwise associated with, such institution of higher education and, if available, the price at which the publisher makes such other format of the college textbook or supplemental material available to the public.

(2) UNBUNDLING OF COLLEGE TEXTBOOKS FROM SUPPLEMENTAL MATERIALS.—A publisher that sells a college textbook and any supplemental material accompanying such college textbook as a single bundle shall also make available the college textbook and each supplemental material as separate and unbundled items, each separately priced.

(3) CUSTOM TEXTBOOKS.—To the maximum extent practicable, a publisher shall provide the information required under this subsection with respect to the development and provision of custom textbooks.

(d) PROVISION OF ISBN COLLEGE TEXTBOOK INFORMATION IN COURSE SCHEDULES.—To the maximum extent practicable, each institution of higher education receiving Federal financial assistance shall—

(1) disclose, on the institution's Internet course schedule and in a manner of the institution's choosing, the International Standard Book Number and retail price information of required and recommended college textbooks and supplemental materials for each course listed in the institution's course schedule used for preregistration and registration purposes, except that—

(A) if the International Standard Book Number is not available for such college textbook or supplemental material, then the institution shall include in the Internet course schedule the author, title, publisher, and copyright date for such college textbook or supplemental material; and

(B) if the institution determines that the disclosure of the information described in this subsection is not practicable for a college textbook or supplemental material, then the institution shall so indicate by placing the designation "To Be Determined" in lieu of the information required under this subsection; and

(2) if applicable, include on the institution's written course schedule a notice that textbook information is available on the institution's Internet course schedule, and the Internet address for such schedule.

(e) AVAILABILITY OF INFORMATION FOR COLLEGE BOOKSTORES.—An institution of higher education receiving Federal financial assistance shall make available to a college bookstore that is operated by, or in a contractual relationship or otherwise affiliated with, the institution, as soon as is practicable upon the request of such college bookstore, the most accurate information available regarding—

(1) the institution's course schedule for the subsequent academic period; and

(2) for each course or class offered by the institution for the subsequent academic period—

(A) the information required by subsection (d)(1) for each college textbook or supplemental material required or recommended for such course or class;

(B) the number of students enrolled in such course or class; and

(C) the maximum student enrollment for such course or class.

(f) ADDITIONAL INFORMATION.—An institution disclosing the information required by subsection (d)(1) is encouraged to disseminate to students information regarding—

(1) available institutional programs for *accessing lower-cost digital course materials and digital textbooks,* renting textbooks or for purchasing used textbooks;

(2) available institutional guaranteed textbook buy-back programs;

(3) available institutional alternative content delivery programs*, such as inclusive access programs, subscription models, or digital content distribution platforms*; or

(4) other available institutional cost-saving strategies.

(g) GAO REPORT.—Not later than July 1, 2013, the Comptroller General of the United States shall report to the authorizing committees on the implementation of this section by institutions of higher education, college bookstores, and publishers. The report shall particularly examine—

(1) the availability of college textbook information on course schedules;

(2) the provision of pricing information to faculty of institutions of higher education by publishers;

(3) the use of bundled and unbundled material in the college textbook marketplace, including the adoption of unbundled materials by faculty and the use of integrated textbooks by publishers; and

(4) the implementation of this section by institutions of higher education, including the costs and benefits to such institutions and to students.

(h) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to supercede the institutional autonomy or academic freedom of instructors involved in the selection of college textbooks, supplemental materials, and other classroom materials.

(i) NO REGULATORY AUTHORITY.—The Secretary shall not promulgate regulations with respect to this section.

[SEC. 134. DATABASE OF STUDENT INFORMATION PROHIBITED.

[(a) PROHIBITION.—Except as described in subsection (b), nothing in this Act shall be construed to authorize the development, implementation, or maintenance of a Federal database of personally

identifiable information on individuals receiving assistance under this Act, attending institutions receiving assistance under this Act, or otherwise involved in any studies or other collections of data under this Act, including a student unit record system, an education bar code system, or any other system that tracks individual students over time.

[(b) EXCEPTION.—The provisions of subsection (a) shall not apply to a system (or a successor system) that—

[(1) is necessary for the operation of programs authorized by title II, IV, or VII; and

[(2) was in use by the Secretary, directly or through a contractor, as of the day before the date of enactment of theHigher Education Opportunity Act.

[(c) STATE DATABASES.—Nothing in this Act shall prohibit a State or a consortium of States from developing, implementing, or maintaining State-developed databases that track individuals over time, including student unit record systems that contain information related to enrollment, attendance, graduation and retention rates, student financial assistance, and graduate employment outcomes.]

SEC. 135. IN-STATE TUITION RATES FOR MEMBERS OF THE ARMED FORCES ON ACTIVE DUTY, SPOUSES, AND DEPENDENT CHILDREN, *HOMELESS YOUTH, AND FOSTER CARE YOUTH*.

[(a) REQUIREMENT.—] [In the case] *(a) REQUIREMENT.—*

(1) ARMED FORCES.—In the case of a member of the armed forces who is on active duty for a period of more than 30 days and whose domicile or permanent duty station is in a State that receives assistance under this Act, such State shall not charge such member (or the spouse or dependent child of such member) tuition for attendance at a public institution of higher education in the State at a rate that is greater than the rate charged for residents of the State.

(2) HOMELESS YOUTH AND FOSTER CARE YOUTH.—In the case of a homeless youth or a foster care youth, such State shall not charge such individual tuition for attendance at a public institution of higher education in the State at a rate that is greater than the rate charged for residents of the State.

(b) CONTINUATION.—If a member of the armed forces (or the spouse or dependent child of a member) pays tuition at a public institution of higher education in a State at a rate determined by subsection (a), the provisions of subsection (a) shall continue to apply to such member, spouse, or dependent while continuously enrolled at that institution, notwithstanding a subsequent change in the permanent duty station of the member to a location outside the State.

[(c) EFFECTIVE DATE.—This section shall take effect at each public institution of higher education in a State that receives assistance under this Act for the first period of enrollment at such institution that begins after July 1, 2009.

[(d) DEFINITIONS.—In this section, the terms "armed forces" and "active duty for a period of more than 30 days" have the meanings given those terms insection 101of title 10, United States Code.]

(c) EFFECTIVE DATE.—

(1) ARMED FORCES.—With respect to an individual described in subsection (a)(1), this section shall remain in effect as it was

in effect on the day before the date of enactment of the College Affordability Act.

(2) HOMELESS YOUTH AND FOSTER CARE YOUTH.—With respect to an individual described in subsection (a)(2), this section shall take effect at each public institution of higher education in a State that receives assistance under this Act for the first period of enrollment at such institution that begins during the first full award year following the date of enactment of the College Affordability Act.

(d) DEFINITIONS.—In this section:

(1) ARMED FORCES.—The terms "armed forces" and "active duty for a period of more than 30 days" have the meanings given those terms in section 101 of title 10, United States Code.

(2) HOMELESS YOUTH.—The term "homeless youth" has the meaning given the term "homeless children and youths" in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a).

[SEC. 136. STATE HIGHER EDUCATION INFORMATION SYSTEM PILOT PROGRAM.

[(a) PURPOSE.—It is the purpose of this section to carry out a pilot program to assist not more than five States to develop State-level postsecondary student data systems to—

[(1) improve the capacity of States and institutions of higher education to generate more comprehensive and comparable data, in order to develop better-informed educational policy at the State level and to evaluate the effectiveness of institutional performance while protecting the confidentiality of students' personally identifiable information; and

[(2) identify how to best minimize the data-reporting burden placed on institutions of higher education, particularly smaller institutions, and to maximize and improve the information institutions receive from the data systems, in order to assist institutions in improving educational practice and postsecondary outcomes.

[(b) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term "eligible entity" means—

[(1) a State higher education system; or

[(2) a consortium of State higher education systems, or a consortium of individual institutions of higher education, that is broadly representative of institutions in different sectors and geographic locations.

[(c) COMPETITIVE GRANTS.—

[(1) GRANTS AUTHORIZED.—The Secretary shall award grants, on a competitive basis, to not more than five eligible entities to enable the eligible entities to—

[(A) design, test, and implement systems of postsecondary student data that provide the maximum benefits to States, institutions of higher education, and State policymakers; and

[(B) examine the costs and burdens involved in implementing a State-level postsecondary student data system.

[(2) DURATION.—A grant awarded under this section shall be for a period of not more than three years.

[(d) APPLICATION REQUIREMENTS.—An eligible entity desiring a grant under this section shall submit an application to the Sec-

retary at such time, in such manner, and containing such information as the Secretary may reasonably require, including a description of—

[(1) how the eligible entity will ensure that student privacy is protected and that individually identifiable information about students, the students' achievements, and the students' families remains confidential in accordance with section 444 of the General Education Provisions Act (commonly known as the "Family Educational Rights and Privacy Act of 1974") (20 U.S.C. 1232g); and

[(2) how the activities funded by the grant will be supported after the three-year grant period.

[(e) USE OF FUNDS.—A grant awarded under this section shall be used to—

[(1) design, develop, and implement the components of a comprehensive postsecondary student data system with the capacity to transmit student information within a State;

[(2) improve the capacity of institutions of higher education to analyze and use student data;

[(3) select and define common data elements, data quality, and other elements that will enable the data system to—

[(A) serve the needs of institutions of higher education for institutional research and improvement;

[(B) provide students and the students' families with useful information for decision-making about postsecondary education; and

[(C) provide State policymakers with improved information to monitor and guide efforts to improve student outcomes and success in higher education;

[(4) estimate costs and burdens at the institutional level for the reporting system for different types of institutions; and

[(5) test the feasibility of protocols and standards for maintaining data privacy and data access.

[(f) EVALUATION; REPORTS.—Not later than six months after the end of the projects funded by grants awarded under this section, the Secretary shall—

[(1) conduct a comprehensive evaluation of the pilot program authorized by this section; and

[(2) report the Secretary's findings, as well as recommendations regarding the implementation of State-level postsecondary student data systems, to the authorizing committees.

[(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.]

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PART D—ADMINISTRATIVE PROVISIONS FOR DELIVERY OF STUDENT FINANCIAL ASSISTANCE

SEC. 141. PERFORMANCE-BASED ORGANIZATION FOR THE DELIVERY OF FEDERAL STUDENT FINANCIAL ASSISTANCE.

(a) ESTABLISHMENT AND PURPOSE.—

(1) ESTABLISHMENT.—There is established in the Department a Performance-Based Organization (hereafter referred to as the "PBO") which shall be a discrete management unit responsible for managing the administrative and oversight functions supporting the programs authorized under title IV of this Act, as specified in subsection (b).

[(2) PURPOSES.—The purposes of the PBO are—

[(A) to improve service to students and other participants in the student financial assistance programs authorized under title IV, including making those programs more understandable to students and their parents;

[(B) to reduce the costs of administering those programs;

[(C) to increase the accountability of the officials responsible for administering the operational aspects of these programs;

[(D) to provide greater flexibility in the management and administration of the Federal student financial assistance programs;

[(E) to integrate the information systems supporting the Federal student financial assistance programs;

[(F) to implement an open, common, integrated system for the delivery of student financial assistance under title IV; and

[(G) to develop and maintain a student financial assistance system that contains complete, accurate, and timely data to ensure program integrity.]

(2) PURPOSES.—The purposes of the PBO are as follows:

(A) To prioritize students and borrowers in the decision-making processes related to all aspects of the management and administration of the Federal student financial assistance programs authorized under title IV.

(B) To improve service to students and other participants in the Federal student financial assistance programs authorized under title IV.

(C) To make such programs more understandable to students and their families.

(D) To increase the efficiency and effectiveness of such programs for students and their families.

(E) To manage the costs of administering such programs.

(F) To increase the accountability of the officials responsible for administering the operational aspects of such programs.

(G) To oversee institutions, contractors, and third party servicers that participate in the Federal student financial assistance programs authorized under title IV.

(H) To provide greater flexibility in the management and administration of such programs.

(I) To implement open, common, integrated systems for the delivery of Federal student financial assistance programs authorized under title IV.

(J) To develop and maintain a student financial assistance system that contains complete, accurate, and timely data to ensure program integrity.

(K) To increase transparency in the operations and outcomes of Federal student financial assistance programs authorized under title IV.

(b) GENERAL AUTHORITY.—

(1) AUTHORITY OF SECRETARY.—Notwithstanding any other provision of this part, the Secretary shall maintain responsibility for the development and promulgation of policy and regulations relating to the programs of student financial assistance under title IV. In the exercise of its functions, the PBO shall be subject to the direction of the Secretary. The Secretary shall—

(A) request the advice of, and work in cooperation with, the Chief Operating Officer in developing regulations, policies, administrative guidance, or procedures affecting the Federal student financial assistance programs authorized under title IV;

(B) implement oversight and accountability measures to ensure that the PBO carries out its duties under this section efficiently, effectively, and in a manner that accomplishes the purposes specified in subsection (a)(2);

[(B)**]** *(C)* request cost estimates from the Chief Operating Officer for system changes required by specific policies proposed by the Secretary; and

[(C)**]** *(D)* assist the Chief Operating Officer in identifying goals for—

(i) the administration of the systems used to administer the Federal student financial assistance programs authorized under title IV; and

(ii) the updating of such systems to current technology.

(2) PBO FUNCTIONS.—Subject to paragraph (1), the PBO shall be responsible for the administration of Federal student financial assistance programs authorized under title IV, excluding the development of policy relating to such programs but including the following:

(A) The administrative, accounting, and financial management functions for the Federal student financial assistance programs authorized under title IV, including—

(i) the collection, processing, and transmission of data to students, institutions, lenders, State agencies, and other authorized parties;

(ii) in accordance with paragraph (3), the collection, publication, and sharing of aggregate and longitudinal data that may be used to evaluate Federal student financial assistance programs authorized under title IV, including the outcomes such programs achieve;

[(ii)**]** *(iii)* the design and technical specifications for software development and procurement for systems supporting the Federal student financial assistance programs authorized under title IV;

[(iii)**]** *(iv)* all software and hardware acquisitions and all information technology contracts related to the administration and management of student financial assistance under title IV;

[(iv)] *(v)* all aspects of contracting for the information and financial systems supporting the Federal student financial assistance programs authorized under title IV;

[(v)] *(vi)* providing all customer service, training, and user support related to the administration of the Federal student financial assistance programs authorized under title IV; and

[(vi)] *(vii)* ensuring the integrity of the Federal student financial assistance programs authorized under title IV, *including oversight of institutions, contractors, and third party servicers that participate in such programs*.

(B) Annual development of a budget for the activities and functions of the PBO, in consultation with the Secretary, and for consideration and inclusion in the Department's annual budget submission.

(C) Taking action to prevent and address the improper use of access devices, as described in section 485B(d)(7), including by—

(i) detecting common patterns of improper use of any system that processes payments on Federal Direct Loans or other Department information technology systems;

(ii) maintaining a reporting system for contractors involved in the processing of payments on Federal Direct Loans in order to allow those contractors to alert the Secretary of potentially improper use of Department information technology systems;

(iii) proactively contacting Federal student loan borrowers whose Federal student loan accounts demonstrate a likelihood of improper use in order to warn those borrowers of suspicious activity or potential fraud regarding their Federal student loan accounts; and

(iv) providing clear and simple disclosures in communications with borrowers who are applying for or requesting assistance with Federal Direct Loan programs (including assistance or applications regarding income-driven repayment, forbearance, deferment, consolidation, rehabilitation, cancellation, and forgiveness) to ensure that borrowers are aware that the Department will never require borrowers to pay for such assistance or applications.

(3) COLLECTION, SHARING, AND PUBLICATION OF DATA.—

(A) COLLECTION.—The PBO shall collect student-level data that shall be used to evaluate Federal student financial assistance programs authorized under title IV.

(B) SHARING WITH NCES.—The PBO shall make the data collected under subparagraph (A) available to the Commissioner of the National Center for Education Statistics for purposes of research and policy analysis.

(C) RESEARCH.—The Commissioner of the National Center for Education Statistics shall ensure the data shared under subparagraph (B) is made available, with direct identifiers removed and with appropriate restrictions to en-

sure data privacy and security, for vetted research and evaluation purposes in a manner consistent with the process under section 132(l)(5)(A)(i).

(D) PUBLICATION.—Not less frequently than once annually, the PBO shall—

(i) aggregate the data collected under subparagraph (A) in a manner that excludes—

(I) student-level data; or

(II) any data that would reveal personally identifiable information about an individual student; and

(ii) make available such aggregated data on a publicly accessible website of the Department in a format that enables members of the public to easily retrieve, sort, and analyze the data.

[(3)] *(4)* ADDITIONAL FUNCTIONS.—The Secretary may allocate to the PBO such additional functions as the Secretary and the Chief Operating Officer determine are necessary or appropriate to achieve the purposes of the PBO.

[(4)] *(5)* INDEPENDENCE.—Subject to paragraph (1), in carrying out its functions, the PBO shall exercise independent control of its budget allocations and expenditures, personnel decisions and processes, procurements, and other administrative and management functions.

[(5)] *(6)* AUDITS AND REVIEW.—The PBO shall be subject to the usual and customary Federal audit procedures and to review by the Inspector General of the Department.

[(6)] *(7)* CHANGES.—

(A) IN GENERAL.—The Secretary and the Chief Operating Officer shall consult concerning the effects of policy, market, or other changes on the ability of the PBO to achieve the goals and objectives established in the performance plan described in subsection (c).

(B) REVISIONS TO AGREEMENT.—The Secretary and the Chief Operating Officer may revise the annual performance agreement described in subsection (d)(4) in light of policy, market, or other changes that occur after the Secretary and the Chief Operating Officer enter into the agreement.

[(c) PERFORMANCE PLAN, REPORT, AND BRIEFING.—

[(1) PERFORMANCE PLAN.—

[(A) IN GENERAL.—Each year, the Secretary and Chief Operating Officer shall agree on, and make available to the public, a performance plan for the PBO for the succeeding 5 years that establishes measurable goals and objectives for the organization.

[(B) CONSULTATION.—In developing the 5-year performance plan and any revision to the plan, the Secretary and the Chief Operating Officer shall consult with students, institutions of higher education, Congress, lenders, the Advisory Committee on Student Financial Assistance, and other interested parties not less than 30 days prior to the implementation of the performance plan or revision.

[(C) AREAS.—The plan shall include a concise statement of the goals for a modernized system for the delivery of

student financial assistance under title IV and identify action steps necessary to achieve such goals. The plan shall address the PBO's responsibilities in the following areas:

[(i) IMPROVING SERVICE.—Improving service to students and other participants in student financial aid programs authorized under under title IV, including making those programs more understandable to students and their parents.

[(ii) REDUCING COSTS.—Reducing the costs of administering those programs.

[(iii) IMPROVEMENT AND INTEGRATION OF SUPPORT SYSTEMS.—Improving and integrating the systems that support those programs.

[(iv) DELIVERY AND INFORMATION SYSTEM.—Developing open, common, and integrated systems for programs authorized under under title IV.

[(v) OTHER AREAS.—Any other areas identified by the Secretary.

[(2) ANNUAL REPORT.—Each year, the Chief Operating Officer shall prepare and submit to Congress, through the Secretary, an annual report on the performance of the PBO, including an evaluation of the extent to which the PBO met the goals and objectives contained in the 5-year performance plan described in paragraph (1) for the preceding year. The annual report shall include the following:

[(A) An independent financial audit of the expenditures of both the PBO and the programs administered by the PBO.

[(B) Financial and performance requirements applicable to the PBO under the Chief Financial Officers Act of 1990 and the Government Performance and Results Act of 1993.

[(C) The results achieved by the PBO during the year relative to the goals established in the organization's performance plan.

[(D) The evaluation rating of the performance of the Chief Operating Officer and senior managers under subsections (d)(4) and (e)(2), including the amounts of bonus compensation awarded to these individuals.

[(E) Recommendations for legislative and regulatory changes to improve service to students and their families, and to improve program efficiency and integrity.

[(F) Other such information as the Director of the Office of Management and Budget shall prescribe for performance based organizations.

[(3) CONSULTATION WITH STAKEHOLDERS.—The Chief Operating Officer, in preparing the report described in paragraph (2), shall establish appropriate means to consult with students, borrowers, institutions, lenders, guaranty agencies, secondary markets, and others involved in the delivery system of student aid under title IV—

[(A) regarding the degree of satisfaction with the delivery system; and

[(B) to seek suggestions on means to improve the delivery system.

[(4) BRIEFING ON ENFORCEMENT OF STUDENT LOAN PROVISIONS.—The Secretary shall, upon request, provide a briefing to the members of the authorizing committees on the steps the Department has taken to ensure—

[(A) the integrity of the student loan programs; and

[(B) that lenders and guaranty agencies are adhering to the requirements of title IV.]

(c) PERFORMANCE PLAN, REPORT, AND BRIEFING.—

(1) PERFORMANCE PLAN.—

(A) IN GENERAL.—Not later than one year after the date of the enactment of the College Affordability Act, and not less than once every five years thereafter, the Secretary and Chief Operating Officer shall agree on a performance plan for the PBO for the succeeding 5 years that—

(i) establishes measurable quantitative and qualitative goals and objectives for the organization; and

(ii) aligns such goals and objectives with the purposes specified in subsection (a)(2).

(B) CONSULTATION.—In developing the five-year performance plan and any revision to the plan, the Secretary and the Chief Operating Officer shall consult with students, institutions, Congress, contractors, the Borrower Advocate, student aid experts, including consumer advocacy and research groups, the Director of the Bureau of Consumer Financial Protection, State attorneys general, and other relevant parties.

(C) REVISIONS.—The Secretary and Chief Operating Officer may annually update the plan under paragraph (1) to incorporate the recommendations made pursuant to the consultation required under subparagraph (B) that are accepted by the Secretary and the Chief Operating Officer.

(D) AREAS.—The plan developed under subparagraph (A) shall address the responsibilities of the PBO in the following areas:

(i) Improving service to students and other participants in the Federal student financial assistance programs authorized under title IV, including making those programs more understandable and accessible to students and their families.

(ii) Managing the costs and increasing the efficiency of such programs.

(iii) Improving, integrating, and investing in the systems that support such programs.

(iv) Developing open, common, and integrated systems for such programs.

(v) The collection, publication, and sharing of data on such programs as described in subsection (b)(3).

(vi) Improving performance standards and outcomes with respect to institutions, contractors, and third party servicers that act as agents of the Department or as agents of institutions that participate in such programs.

(vii) Any other areas identified by the Secretary.

(E) PUBLIC AVAILABILITY.—Each plan developed under subparagraph (A) shall be made available on a publicly accessible website of the Department of Education.

(2) ANNUAL REPORT.—

(A) REPORT REQUIRED.—Not later than one year after the date of the enactment of the College Affordability Act and annually thereafter, the Secretary, acting through the Chief Operating Officer, shall submit to Congress an annual report on the performance of the PBO.

(B) CONTENTS.—The annual report shall include the following:

(i) An evaluation of the extent to which the PBO met the goals and objectives contained in the five-year performance plan described in paragraph (1) for the preceding year.

(ii) A summary of the consultation process under paragraph (1)(B) for the preceding year, including the recommendations that were accepted or denied by the Chief Operating Officer during such year, and the rationale for accepting or denying such recommendations.

(iii) An independent financial audit of the expenditures of both the PBO and the programs administered by the PBO.

(iv) A summary of the actions taken by the PBO to address—

(I) the findings of the audit described in clause (iii); and

(II) consumer feedback.

(v) Financial and performance requirements applicable to the PBO under—

(I) the Chief Financial Officers Act of 1990 (Public Law 101–576); or

(II) the Government Performance and Results Act of 1993 (Public Law 103–62).

(vi) The results achieved by the PBO during the preceding year and whether such results met the goals specified in the performance plan under paragraph (1).

(vii) With respect to the preceding year, the evaluation rating of the performance of the Chief Operating Officer and senior managers under subsections (d)(5) and (e)(2), including the amounts of bonus compensation awarded to the Chief Operating Officer and senior managers.

(viii) Recommendations for legislative and regulatory changes to improve service to students and their families, and to improve the efficiency and integrity of Federal student financial assistance programs authorized under title IV.

(ix) Financial statements that provide a rationale for appropriately funding the activities of the PBO.

(x) A summary of the management and compliance of contractors managed by the PBO in the preceding year, including corrective actions taken by the PBO with respect to such contractors.

(xi) A description of how the PBO used the authority under paragraph (5) of subsection (b) for making personnel and procurement decisions in the preceding year, including the number of individuals hired through such authority and the bonuses provided to staff during such year.

(xii) A summary of the oversight activities of institutions, contractors, and third party servicers that participate in the Federal student financial assistance programs authorized under title IV including—

(I) fines levied on such institutions, contractors, and third party servicers, disaggregated by entity;

(II) instances of fraud or misrepresentation by such institutions, contractors, or third party servicers; and

(III) violations of provisions in this Act by such institutions, contractors, or third party servicers disaggregated by entity and type of violation.

(xiii) A summary of any improvements made with respect to transparency and any new types of data made available in the preceding year.

(xiv) A description of the progress made in the preceding year towards the specific measurable organization and individual goals specified in subsection (d)(5)(A).

(xv) The report submitted to the Secretary under subsection (f)(7).

(xvi) Other such information as the Director of the Office of Management and Budget shall prescribe for performance based organizations.

(3) CONSULTATION WITH STAKEHOLDERS.—The Chief Operating Officer, in preparing the annual report described in paragraph (2), shall establish appropriate means to consult with students, borrowers, institutions, student aid experts, including consumer advocacy and research groups, the Director of the Bureau of Consumer Financial Protection, and others involved in the delivery and evaluation of student aid under title IV—

(A) regarding the degree of satisfaction with the delivery system; and

(B) to seek suggestions on means to improve the performance of the delivery system.

(4) BRIEFING ON ENFORCEMENT OF PROGRAM INTEGRITY.—The Secretary shall, at the request of the authorizing committees, provide to the authorizing committees a briefing on the steps the Department of Education has taken to ensure—

(A) the experiences of students and borrowers are accounted for in decision making; and

(B) that contractors, lenders, and guaranty agencies and third party servicers are adhering to the requirements of title IV, the terms of any contract with the Secretary, consumer protection laws, Federal regulations and guidelines, and directives of the PBO.

(5) COORDINATION WITH THE DIRECTOR OF THE BUREAU OF CONSUMER FINANCIAL PROTECTION.—Not later than 180 days after the date of the enactment of the College Affordability Act,

the Secretary shall enter into a memorandum of understanding with the Private Education Loan Ombudsman in accordance with section 1035(c)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5535(c)(2)).

(d) CHIEF OPERATING OFFICER.—

(1) APPOINTMENT.—The management of the PBO shall be vested in a Chief Operating Officer who shall be appointed by the Secretary to a term of not less than 3 and not more than 5 years, and compensated without regard to chapters 33, 51, and 53 of title 5, United States Code. The appointment shall be made on the basis of demonstrated [management ability and expertise in information technology, including experience with financial systems, and without regard to political affiliation or activity.] *management ability, including contractor management, expertise in the Federal student financial assistance programs authorized under title IV, experience with financial systems, and knowledge of consumer financial protection laws, and without regard to political affiliation or activity.*

(2) RESTRICTIONS.—

(A) PRESERVICE AND IN-SERVICE RESTRICTIONS.—An individual may not serve as the Chief Operating Officer if such individual—

(i) is employed by, or has a financial interest in, an entity that contracts with the PBO; or

(ii) was employed by, or had a financial interest in, any such entity in any of the five years preceding the date of the individual's appointment as the Chief Operating Officer.

(B) POSTSERVICE RESTRICTIONS.—An individual who served as the Chief Operating Officer may not accept employment with an entity that contracts with the PBO until a period of five years has elapsed following the date on which such individual's service as the Chief Operating Officer terminated.

[(2)] *(3)* REAPPOINTMENT.—The Secretary may reappoint the Chief Operating Officer to subsequent terms of not less than 3 and not more than 5 years, so long as the performance of the Chief Operating Officer, as set forth in the performance agreement described in paragraph (4), is satisfactory.

[(3)] *(4)* REMOVAL.—The Chief Operating Officer may be removed by—

(A) the President; or

(B) the Secretary, for misconduct or failure to meet performance goals set forth in the performance agreement in paragraph (4).

The President or Secretary shall communicate the reasons for any such removal to the authorizing committees.

[(4)] *(5)* PERFORMANCE AGREEMENT.—

(A) IN GENERAL.—Each year, the Secretary and the Chief Operating Officer shall enter into an annual performance agreement, that shall set forth *specific* measurable organization and individual goals for the Chief Operating Officer *and metrics used to measure progress toward such goals*.

(B) TRANSMITTAL.—The final agreement, and any revision to the final agreement, shall be transmitted to the au-

thorizing committees, and made publicly available *on the website of the Department*.

[(5)] *(6)* COMPENSATION.—

(A) IN GENERAL.—The Chief Operating Officer is authorized to be paid at an annual rate of basic pay not to exceed the maximum rate of basic pay for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(B) of such title. The compensation of the Chief Operating Officer shall be considered for purposes of section 207(c)(2)(A) of title 18, United States Code, to be the equivalent of that described under clause (ii) of section 207(c)(2)(A) of such title.

[(B) BONUS.—In addition, the Chief Operating Officer may receive a bonus in an amount that does not exceed 50 percent of such annual rate of basic pay, based upon the Secretary's evaluation of the Chief Operating Officer's performance in relation to the goals set forth in the performance agreement described in paragraph (4).]

(B) BONUS AUTHORIZED.—The Secretary may pay to the Chief Operating Officer a bonus in an amount that does not exceed 50 percent of such annual rate of basic pay. The decision to pay such a bonus, and the amount of the bonus, shall be based solely on the Secretary's evaluation of the performance of the Chief Operating Officer with respect to the goals set forth in the performance agreement as described in paragraph (5)(A).

(C) PAYMENT.—Payment of a bonus under subparagraph (B) may be made to the Chief Operating Officer only to the extent that such payment does not cause the Chief Operating Officer's total aggregate compensation in a calendar year to equal or exceed the amount of the President's salary under section 102 of title 3, United States Code.

(e) SENIOR MANAGEMENT.—

(1) APPOINTMENT.—

(A) IN GENERAL.—The Chief Operating Officer may appoint such senior managers as that officer determines necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(B) COMPENSATION.—The senior managers described in subparagraph (A) may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) PERFORMANCE AGREEMENT.—Each year, the Chief Operating Officer and each senior manager appointed under this subsection shall enter into an annual performance agreement that sets forth [measurable organization and individual goals] *specific, measurable organization and individual goals and the metrics used to measure progress toward such goals. Performance agreements for senior management responsible for procurement shall include metrics that measure ability to oversee con-*

tractors. The agreement shall be subject to review and renegotiation at the end of each term.

(3) COMPENSATION.—

(A) IN GENERAL.—A senior manager appointed under this subsection may be paid at an annual rate of basic pay of not more than the maximum rate of basic pay for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of such title. The compensation of a senior manager shall be considered for purposes of section 207(c)(2)(A) of title 18, United States Code, to be the equivalent of that described under clause (ii) of section 207(c)(2)(A) of such title.

(B) BONUS.—In addition, a senior manager may receive a bonus in an amount such that the manager's total annual compensation does not exceed 125 percent of the maximum rate of basic pay for the Senior Executive Service, including any applicable locality-based comparability payment, based upon the Chief Operating Officer's evaluation of the manager's performance in relation to the goals set forth in the performance agreement described in paragraph (2).

(4) REMOVAL.—A senior manager shall be removable by the Chief Operating Officer, or by the Secretary if the position of Chief Operating Officer is vacant.

[(f) STUDENT LOAN OMBUDSMAN.—

[(1) APPOINTMENT.—The Chief Operating Officer, in consultation with the Secretary, shall appoint a Student Loan Ombudsman to provide timely assistance to borrowers of loans made, insured, or guaranteed under title IV by performing the functions described in paragraph (3).

[(2) PUBLIC INFORMATION.—The Chief Operating Officer shall disseminate information about the availability and functions of the Ombudsman to students, borrowers, and potential borrowers, as well as institutions of higher education, lenders, guaranty agencies, loan servicers, and other participants in those student loan programs.

[(3) FUNCTIONS OF OMBUDSMAN.—The Ombudsman shall—

[(A) in accordance with regulations of the Secretary, receive, review, and attempt to resolve informally complaints from borrowers of loans described in paragraph (1), including, as appropriate, attempts to resolve such complaints within the Department of Education and with institutions of higher education, lenders, guaranty agencies, loan servicers, and other participants in the loan programs described in paragraph (1); and

[(B) compile and analyze data on borrower complaints and make appropriate recommendations.

[(4) REPORT.—Each year, the Ombudsman shall submit a report to the Chief Operating Officer, for inclusion in the annual report under subsection (c)(2), that describes the activities, and evaluates the effectiveness of the Ombudsman during the preceding year.]

(f) BORROWER ADVOCATE.—

(1) IN GENERAL.—There is established in the PBO an "Office of the Borrower Advocate" (referred to in this subsection as the "Office"). The function of the Office shall be to provide timely assistance to borrowers of loans made, insured, or guaranteed under title IV by performing the duties described in paragraph (6).

(2) HEAD OF OFFICE.—There shall be an official known as the "Borrower Advocate" who shall serve as the head of the Office. The Borrower Advocate shall be appointed by the Secretary from among individuals who have worked closely with the Federal student loan programs authorized under title IV.

(3) REMOVAL.—The Borrower Advocate may be removed only by the Secretary who shall communicate the reasons for any such removal to the authorizing committees.

(4) RESTRICTIONS.—

(A) PRESERVICE AND IN-SERVICE RESTRICTIONS.—An individual may not serve as the Borrower Advocate if such individual—

(i) is employed by, or has a financial interest in, an entity that contracts with the PBO; or

(ii) was employed by, or had a financial interest in, any such entity in any of the five years preceding the date of the individual's appointment as the Borrower Advocate.

(B) POSTSERVICE RESTRICTIONS.—An individual who served as the Borrower Advocate may not accept employment with an entity that contracts with the PBO until a period of five years has elapsed following the date on which such individual's service as the Borrower Advocate terminated.

(5) STAFF.—The Office shall be staffed sufficiently to carry out the responsibilities of the Office under this subsection.

(6) DUTIES OF THE BORROWER ADVOCATE.—The Office of the Borrower Advocate shall—

(A) assist borrowers of loans made, insured, or guaranteed under title IV in resolving problems with the PBO and its contractors or other agents, including by—

(i) receiving and reviewing complaints of such problems from borrowers;

(ii) working to resolve such complaints in a manner that is in the best interests of borrowers; and

(iii) transmitting such complaints to States and recognized accrediting agencies or associations, as appropriate.

(B) attempt to resolve complaints within the Department of Education and with institutions of higher education, lenders, guaranty agencies, loan servicers, and other participants in the Federal student loan programs authorized under title IV in a manner that will improve the experience of the borrower;

(C) conduct impartial reviews regarding a student's independence under subparagraph (B) or (H) of section 480(d)(1), in consultation with knowledgeable parties, including institutions of higher education, child welfare agencies, local educational agency liaisons for homeless in-

dividuals designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii)), or State Coordinators for Education of Homeless Children and Youth established in accordance with section 722 of such Act (42 U.S.C. 11432);

(D) compile and analyze data on borrower complaints and share such data with the Director of the Bureau of Consumer Financial Protection;

(E) publish, with any personally identifiable information redacted, such complaints and responses of the Secretary to such complaints on the website of the Department; and

(F) make appropriate recommendations to Congress, the Chief Operating Officer, and Secretary with respect to Federal student loan programs authorized under title IV and the experiences of borrowers in repayment of loans under such programs.

(7) PUBLIC INFORMATION.—The Chief Operating Officer shall establish and maintain a public page on the website of the Department of Education exclusively to provide members of the public with information about the role of the PBO with respect to the oversight of institutions of higher education, lenders, guaranty agencies, contractors that contract with the PBO, subcontractors of such contractors, and third party servicers.

(8) REPORT.—On an annual basis, the Borrower Advocate shall submit to the Chief Operating Officer a report on the activities of the Office during the preceding year that—

(A) identifies the activities carried out by the Borrower Advocate;

(B) summarizes the complaints received from borrowers, including the number of such complaints, and explains the activities undertaken by the PBO to address such complaints;

(C) proposes changes in the administrative practices of the PBO to mitigate problems experienced by borrowers; and

(D) identifies potential legislative changes which may be appropriate to mitigate such problems.

(g) PERSONNEL FLEXIBILITY.—

(1) PERSONNEL CEILINGS.—The PBO shall not be subject to any ceiling relating to the number or grade of employees.

(2) ADMINISTRATIVE FLEXIBILITY.—The Chief Operating Officer shall work with the Office of Personnel Management to develop and implement personnel flexibilities in staffing, classification, and pay that meet the needs of the PBO, subject to compliance with title 5, United States Code.

(3) EXCEPTED SERVICE.—The Chief Operating Officer may appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, technical and professional employees to administer the functions of the PBO. These employees may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(h) ESTABLISHMENT OF A FAIR AND EQUITABLE SYSTEM FOR MEASURING STAFF PERFORMANCE.—The PBO shall establish an an-

nual performance management system, subject to compliance with title 5, United States Code and consistent with applicable provisions of law and regulations, which strengthens the effectiveness of the PBO by providing for establishing goals or objectives for individual, group, or organizational performance (or any combination thereof), consistent with the performance plan of the PBO and its performance planning procedures, including those established under the Government Performance and Results Act of 1993, and communicating such goals or objectives to employees.

(i) ENFORCEMENT UNIT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of the College Affordability Act, the Secretary shall establish within the PBO an enforcement unit (referred to in this section as the "Unit") to review and investigate violations of this Act and recommend enforcement actions in accordance with paragraph (3).

(2) CHIEF ENFORCEMENT OFFICER.—

(A) APPOINTMENT.—The Secretary shall appoint an official to be known as the "Chief Enforcement Officer" who shall serve as the head of the Unit. The Secretary shall appoint an individual to serve as the Chief Enforcement Officer solely on the basis of such individual's integrity and expertise in law and investigations and without regard to such individual's political affiliation.

(B) AUTHORITY.—The Chief Enforcement Officer shall report directly to the Secretary without being required to report through any other official of the Department of Education.

(C) TERM.—The Chief Enforcement Officer shall be appointed for a term of 6 years and may be reappointed for additional terms of 6 years at the discretion of the Secretary.

(D) REMOVAL.—

(i) IN GENERAL.—The Chief Enforcement Officer may not be removed during the Officer's term except for cause.

(ii) NOTICE TO CONGRESS.—If the Secretary removes the Chief Enforcement Officer before the expiration of the Officer's term, the Secretary shall submit to the authorizing committees a report that explains the reasons for such removal. The report shall be submitted to the authorizing committees not later than 30 days after the date on which the removal takes effect.

(3) DUTIES.—The Chief Enforcement Officer shall have the following duties:

(A) Receive, process, and analyze allegations that a covered entity has violated Federal law or has engaged in unfair, deceptive, or abusive practices.

(B) Review and investigate such allegations or refer such allegations to an entity described in subparagraphs (A) through (E) of paragraph (6).

(C) After reviewing and investigating an allegation under subparagraph (B), in consultation with the Chief Operating Officer—

(i) if the covered entity subject to such allegation is an entity described in clause (i) or (iii) of paragraph (8)(A), make recommendations with respect to such covered entity, including—

(I) whether such covered entity should be limited, suspended, or terminated from participation in one or more programs under title IV;

(II) whether such covered entity should be subject to an emergency action under section 487(c)(1)(G);

(III) whether such covered entity should be subject to a civil penalty described in section 487(c)(3)(B);

(IV) whether such covered entity should be subject to a criminal penalty described in section 490; or

(V) whether such covered entity should be subject to a combination of any of the actions described in subclauses (I) though (IV);

(ii) if the covered entity subject to such allegation is an entity described in clause (ii) of paragraph (8)(A), make recommendations with respect to such covered entity, including whether such covered entity should be limited, suspended, or terminated from administering or providing services with respect to one or more programs under title IV; and

(iii) provide the Secretary with such recommendations.

(4) SECRETARIAL REVIEW AND ACTION.—After receiving notice of a determination of the Chief Enforcement Officer under paragraph (3)(C), the Secretary shall decide whether or not to pursue enforcement action against the entity concerned, in accordance with the procedures established under section 487(c)(3). In a case in which the Chief Enforcement Officer recommends enforcement action against an entity, but the Secretary decides not to pursue such enforcement action, the Secretary shall notify the Chief Enforcement Officer, in writing, of the rationale for such decision.

(5) COORDINATION AND STAFFING.—The Chief Enforcement Officer shall—

(A) coordinate with relevant Federal and State agencies and oversight bodies; and

(B) hire staff with the expertise necessary to conduct investigations, respond to allegations against covered entities, and enforce compliance with laws governing Federal student financial assistance programs under title IV.

(6) INFORMATION SHARING.—The Chief Enforcement Officer shall develop and implement a process for sharing relevant information about allegations against covered entities with—

(A) the Borrower Advocate appointed under subsection (f);

(B) personnel of the Department on responsible for processing borrower defense claims submitted under section 493H;

(C) other relevant Federal agencies;

(D) States, including State law enforcement and regulatory agencies; and

(E) recognized accrediting agencies or associations.

(7) REPORT TO CONGRESS.—On an annual basis, the Chief Enforcement Officer shall submit to the authorizing committees a report that includes—

(A) the number of allegations about covered entities received by Unit in the year covered by the report;

(B) the number of such allegations investigated by the Unit;

(C) the number of such allegations that were referred to the Secretary under paragraph (3)(C) and a summary of any action taken by the Secretary with respect to such allegations;

(D) the number of such allegations that were referred to other Federal agencies and the names of the agencies to which the allegations were referred; and

(E) the number of such allegations that remain under review or investigation as of the date of the report.

(8) DEFINITIONS.—In this subsection:

(A) COVERED ENTITY.—In this subsection, the term "covered entity" means—

(i) an institution of higher education (as defined in section 102) that participates in the Federal student financial assistance programs authorized under title IV;

(ii) a contractor that contracts with the PBO to provide services relating to such programs, or a subcontractor of such contractor; or

(iii) a third party servicer.

(B) THIRD PARTY SERVICER.—the term "third party servicer" has the meaning given that term in section 481(c).

[(i)**]** *(j)* AUTHORIZATION OF APPROPRIATIONS.—The Secretary shall allocate from funds made available under section 458 such funds as are appropriate to the functions assumed by the PBO. In addition, there are authorized to be appropriated such sums as may be necessary to carry out the purposes of this part.

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TITLE II—TEACHER QUALITY ENHANCEMENT

[SEC. 200. DEFINITIONS.

[In this title:

[(1) ARTS AND SCIENCES.—The term "arts and sciences" means—

[(A) when referring to an organizational unit of an institution of higher education, any academic unit that offers one or more academic majors in disciplines or content areas corresponding to the academic subject matter areas in which teachers provide instruction; and

[(B) when referring to a specific academic subject area, the disciplines or content areas in which academic majors are offered by the arts and sciences organizational unit.

[(2) CHILDREN FROM LOW-INCOME FAMILIES.—The term "children from low-income families" means children described in section 1124(c)(1)(A) of the Elementary and Secondary Education Act of 1965.

[(3) CORE ACADEMIC SUBJECTS.—The term "core academic subjects"means English, reading or language arts, mathematics,science, foreign languages, civics and government,economics, arts, history, and geography.

[(4) EARLY CHILDHOOD EDUCATOR.—The term "early childhood educator" means an individual with primary responsibility for the education of children in an early childhood education program.

[(5) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" has the meaning given the term in section 8101 of the Elementary and SecondaryEducation Act of 1965.

[(6) ELIGIBLE PARTNERSHIP.—Except as otherwise provided in section 251, the term "eligible partnership" means an entity that—

[(A) shall include—

[(i) a high-need local educational agency;

[(ii)(I) a high-need school or a consortium of high-need schools served by the high-need local educational agency; or

[(II) as applicable, a high-need early childhood education program;

[(iii) a partner institution;

[(iv) a school, department, or program of education within such partner institution, which may include an existing teacher professional development program with proven outcomes within a four-year institution of higher education that provides intensive and sustained collaboration between faculty and local educational agencies consistent with the requirements of this title; and

[(v) a school or department of arts and sciences within such partner institution; and

[(B) may include any of the following:

[(i) The Governor of the State.

[(ii) The State educational agency.

[(iii) The State board of education.

[(iv) The State agency for higher education.

[(v) A business.

[(vi) A public or private nonprofit educational organization.

[(vii) An educational service agency.

[(viii) A teacher organization.

[(ix) A high-performing local educational agency, or a consortium of such local educational agencies, that can serve as a resource to the partnership.

[(x) A charter school (as defined in section 4310 of the Elementary and SecondaryEducation Act of 1965).

[(xi) A school or department within the partner institution that focuses on psychology and human development.

[(xii) A school or department within the partner institution with comparable expertise in the disciplines of teaching, learning, and child and adolescent development.

[(xiii) An entity operating a program that provides alternative routes to State certification of teachers.

[(7) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term "essential components of reading instruction" has the meaning given the term in section 1208 of the Elementary and Secondary Education Act of 1965 as such section was in effect on the day before the date of enactment of the Every Student Succeeds Act.

[(8) EXEMPLARY TEACHER.—The term "exemplary teacher" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 as such section was in effect on the day before the date of enactment of the Every Student Succeeds Act.

[(9) HIGH-NEED EARLY CHILDHOOD EDUCATION PROGRAM.—The term "high-need early childhood education program" means an early childhood education program serving children from low-income families that is located within the geographic area served by a high-need local educational agency.

[(10) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term "high-need local educational agency" means a local educational agency—

[(A)(i) for which not less than 20 percent of the children served by the agency are children from low-income families;

[(ii) that serves not fewer than 10,000 children from low-income families;

[(iii) that meets the eligibility requirements for funding under the Small, Rural School Achievement Program under section 5211(b) of the Elementary andSecondary Education Act of 1965; or

[(iv) that meets the eligibility requirements for funding under the Rural and Low-Income School Program under section 5221(b) of the Elementary andSecondary Education Act of 1965; and

[(B)(i) for which there is a high percentage of teachers not teaching in the academic subject areas or grade levels in which the teachers were trained to teach; or

[(ii) for which there is a high teacher turnover rate or a high percentage of teachers with emergency, provisional, or temporary certification or licensure.

[(11) HIGH-NEED SCHOOL.—

[(A) IN GENERAL.—The term "high-need school" means a school that, based on the most recent data available, meets one or both of the following:

[(i) The school is in the highest quartile of schools in a ranking of all schools served by a local educational agency, ranked in descending order by percentage of students from low-income families enrolled in such schools, as determined by the local educational agency based on one of the following measures of poverty:

[(I) The percentage of students aged 5 through 17 in poverty counted in the most recent census data approved by the Secretary.

[(II) The percentage of students eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act.

[(III) The percentage of students in families receiving assistance under the State program funded under part A of title IV of the Social Security Act.

[(IV) The percentage of students eligible to receive medical assistance under the Medicaid program.

[(V) A composite of two or more of the measures described in subclauses (I) through (IV).

[(ii) In the case of—

[(I) an elementary school, the school serves students not less than 60 percent of whom are eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act; or

[(II) any other school that is not an elementary school, the other school serves students not less than 45 percent of whom are eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act.

[(B) SPECIAL RULE.—

[(i) DESIGNATION BY THE SECRETARY.—The Secretary may, upon approval of an application submitted by an eligible partnership seeking a grant under this title, designate a school that does not qualify as a high-need school under subparagraph (A) as a high-need school for the purpose of this title. The Secretary shall base the approval of an application for designation of a school under this clause on a consideration of the information required under clause (ii), and may also take into account other information submitted by the eligible partnership.

[(ii) APPLICATION REQUIREMENTS.—An application for designation of a school under clause (i) shall include—

[(I) the number and percentage of students attending such school who are—

[(aa) aged 5 through 17 in poverty counted in the most recent census data approved by the Secretary;

[(bb) eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act;

[(cc) in families receiving assistance under the State program funded under part A of title IV of the Social Security Act; or

[(dd) eligible to receive medical assistance under the Medicaid program;

[(II) information about the student academic achievement of students at such school; and

[(III) for a secondary school, the graduation rate for such school.

[(12) HIGHLY COMPETENT.—The term "highly competent", when used with respect to an early childhood educator, means an educator—

[(A) with specialized education and training in development and education of young children from birth until entry into kindergarten;

[(B) with—

[(i) a baccalaureate degree in an academic major in the arts and sciences; or

[(ii) an associate's degree in a related educational area; and

[(C) who has demonstrated a high level of knowledge and use of content and pedagogy in the relevant areas associated with quality early childhood education.

[(14) INDUCTION PROGRAM.—The term "induction program" means a formalized program for new teachers during not less than the teachers' first two years of teaching that is designed to provide support for, and improve the professional performance and advance the retention in the teaching field of, beginning teachers. Such program shall promote effective teaching skills and shall include the following components:

[(A) High-quality teacher mentoring.

[(B) Periodic, structured time for collaboration with teachers in the same department or field, including mentor teachers, as well as time for information-sharing among teachers, principals, administrators, other appropriate instructional staff, and participating faculty in the partner institution.

[(C) The application of empirically-based practice and scientifically valid research on instructional practices.

[(D) Opportunities for new teachers to draw directly on the expertise of teacher mentors, faculty, and researchers to support the integration of empirically-based practice and scientifically valid research with practice.

[(E) The development of skills in instructional and behavioral interventions derived from empirically-based practice and, where applicable, scientifically valid research.

[(F) Faculty who—

[(i) model the integration hof research and practice in the classroom; and

[(ii) assist new teachers with the effective use and integration of technology in the classroom.

[(G) Interdisciplinary collaboration among exemplary teachers, faculty, researchers, and other staff who prepare new teachers with respect to the learning process and the assessment of learning.

[(H) Assistance with the understanding of data, particularly student achievement data, and the applicability of such data in classroom instruction.

[(I) Regular and structured observation and evaluation of new teachers by multiple evaluators, using valid and reliable measures of teaching skills.

[(15) LIMITED ENGLISH PROFICIENT.—The term "limited English proficient"has the meaning given the term 'English learner'in section 8101 of the Elementary and Secondary EducationAct of 1965.

[(16) PARENT.—The term "parent" has the meaning given the term in section 8101 of the Elementary and SecondaryEducation Act of 1965.

[(17) PARTNER INSTITUTION.—The term "partner institution" means an institution of higher education, which may include a two-year institution of higher education offering a dual program with a four-year institution of higher education, participating in an eligible partnership that has a teacher preparation program—

[(A) whose graduates exhibit strong performance on State-determined qualifying assessments for new teachers through—

[(i) demonstrating that 80 percent or more of the graduates of the program who intend to enter the field of teaching have passed all of the applicable State qualification assessments for new teachers, which shall include an assessment of each prospective teacher's subject matter knowledge in the content area in which the teacher intends to teach; or

[(ii) being ranked among the highest-performing teacher preparation programs in the State as determined by the State—

[(I) using criteria consistent with the requirements for the State report card under section 205(b) before the first publication of such report card; and

[(II) using the State report card on teacher preparation required under section 205(b), after the first publication of such report card and for every year thereafter; and

[(B) that requires—

[(i) each student in the program to meet high academic standards or demonstrate a record of success, as determined by the institution (including prior to entering and being accepted into a program), and participate in intensive clinical experience;

[(ii) each student in the program preparing to become a teacher who meets the applicableState certification and licensure requirements, includingany requirements for certification obtained through alternativeroutes to certification, or, with regard to specialeducation teachers, the qualifications described in section612(a)(14)(C) of the Individuals with Disabilities EducationAct; and

[(iii) each student in the program preparing to become an early childhood educator to meet degree requirements, as established by the State, and become highly competent.

[(18) PRINCIPLES OF SCIENTIFIC RESEARCH.—The term "principles of scientific research" means principles of research that—

[(A) apply rigorous, systematic, and objective methodology to obtain reliable and valid knowledge relevant to education activities and programs;

[(B) present findings and make claims that are appropriate to, and supported by, the methods that have been employed; and

[(C) include, appropriate to the research being conducted—

[(i) use of systematic, empirical methods that draw on observation or experiment;

[(ii) use of data analyses that are adequate to support the general findings;

[(iii) reliance on measurements or observational methods that provide reliable and generalizable findings;

[(iv) strong claims of causal relationships, only with research designs that eliminate plausible competing explanations for observed results, such as, but not limited to, random-assignment experiments;

[(v) presentation of studies and methods in sufficient detail and clarity to allow for replication or, at a minimum, to offer the opportunity to build systematically on the findings of the research;

[(vi) acceptance by a peer-reviewed journal or critique by a panel of independent experts through a comparably rigorous, objective, and scientific review; and

[(vii) consistency of findings across multiple studies or sites to support the generality of results and conclusions.

[(19) PROFESSIONAL DEVELOPMENT.—The term "professional development" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965.

[(20) SCIENTIFICALLY VALID RESEARCH.—The term "scientifically valid research" includes applied research, basic research, and field-initiated research in which the rationale, design, and interpretation are soundly developed in accordance with principles of scientific research.

[(21) TEACHER MENTORING.—The term "teacher mentoring" means the mentoring of new or prospective teachers through a program that—

[(A) includes clear criteria for the selection of teacher mentors who will provide role model relationships for mentees, which criteria shall be developed by the eligible partnership and based on measures of teacher effectiveness;

[(B) provides high-quality training for such mentors, including instructional strategies for literacy instruction and classroom management (including approaches that improve the schoolwide climate for learning, which may include positive behavioral interventions and supports);

[(C) provides regular and ongoing opportunities for mentors and mentees to observe each other's teaching methods in classroom settings during the day in a high-need school in the high-need local educational agency in the eligible partnership;

[(D) provides paid release time for mentors, as applicable;

[(E) provides mentoring to each mentee by a colleague who teaches in the same field, grade, or subject as the mentee;

[(F) promotes empirically-based practice of, and scientifically valid research on, where applicable—

[(i) teaching and learning;

[(ii) assessment of student learning;

[(iii) the development of teaching skills through the use of instructional and behavioral interventions; and

[(iv) the improvement of the mentees' capacity to measurably advance student learning; and

[(G) includes—

[(i) common planning time or regularly scheduled collaboration for the mentor and mentee; and

[(ii) joint professional development opportunities.

[(22) TEACHING RESIDENCY PROGRAM.—The term "teaching residency program" means a school-based teacher preparation program in which a prospective teacher—

[(A) for one academic year, teaches alongside a mentor teacher, who is the teacher of record;

[(B) receives concurrent instruction during the year described in subparagraph (A) from the partner institution, which courses may be taught by local educational agency personnel or residency program faculty, in the teaching of the content area in which the teacher will become certified or licensed;

[(C) acquires effective teaching skills; and

[(D) prior to completion of the program—

[(i) attains full State certification or licensure and, with respect to special educationteachers, meets the qualifications described in section612(a)(14)(C) of the Individuals with Disabilities EducationAct; and

[(ii) acquires a master's degree not later than 18 months after beginning the program.

[(23) TEACHING SKILLS.—The term "teaching skills" means skills that enable a teacher to—

[(A) increase student learning, achievement, and the ability to apply knowledge;

[(B) effectively convey and explain academic subject matter;

[(C) effectively teach higher-order analytical, evaluation, problem-solving, and communication skills;

[(D) employ strategies grounded in the disciplines of teaching and learning that—

[(i) are based on empirically-based practice and scientifically valid research, where applicable, related to teaching and learning;

[(ii) are specific to academic subject matter; and

[(iii) focus on the identification of students' specific learning needs, particularly students with disabilities, students who are limited English proficient, students who are gifted and talented, and students with low literacy levels, and the tailoring of academic instruction to such needs;

[(E) conduct an ongoing assessment of student learning, which may include the use of formative assessments, performance-based assessments, project-based assessments, or portfolio assessments, that measures higher-order thinking skills (including application, analysis, synthesis, and evaluation);

[(F) effectively manage a classroom, including the ability to implement positive behavioral interventions and support strategies;

[(G) communicate and work with parents, and involve parents in their children's education; and

[(H) use, in the case of an early childhood educator, age-appropriate and developmentally appropriate strategies and practices for children in early childhood education programs.]

SEC. 200. DEFINITIONS.

Except as otherwise provided, in this title:

(1) ARTS AND SCIENCES.—The term "arts and sciences" means—

(A) when referring to an organizational unit of an institution of higher education, any academic unit that offers one or more academic majors in disciplines or content areas corresponding to the academic subject matter areas in which teachers provide instruction; and

(B) when referring to a specific academic subject area, the disciplines or content areas in which academic majors are offered by the arts and sciences organizational unit.

(2) BLENDED LEARNING.—The term "blended learning" has the meaning given the term in section 4102 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7112).

(3) CHILDREN FROM LOW-INCOME FAMILIES.—The term "children from low-income families" means children described in section 1124(c)(1)(A) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333(c)(1)(A)).

(4) COMPREHENSIVE LITERACY INSTRUCTION.—The term "comprehensive literacy instruction" has the meaning given the term in section 2221(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6641(b)(1)).

(5) DIGITAL LEARNING.—The term "digital learning" has the meaning given the term in section 4102 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7112).

(6) DIVERSE TEACHER CANDIDATES.—The term "diverse teacher candidates" means teacher candidates who are—

(A) members of racial and ethnic groups underrepresented in the teaching profession; or

(B) linguistically and culturally prepared to educate students in high-need schools.

(7) EARLY CHILDHOOD EDUCATOR.—The term "early childhood educator" means an individual with primary responsibility for

the education of children in an early childhood education program.

(8) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(9) EDUCATOR.—The term "educator" means a teacher, principal or other school leader, specialized instructional support personnel, or other staff member who provides or directly supports instruction, such as a school librarian, counselor, or paraprofessional.

(10) ELIGIBLE PARTNERSHIP.—The term "eligible partnership" means an entity—

(A) that—

(i) shall include—

(I) a high-need local educational agency;

(II)(aa) a high-need school or a consortium of high-need schools served by such high-need local educational agency; or

(bb) as applicable, a high-need early childhood education program;

(III) a partner institution;

(IV) a school, department, or program of education within such partner institution, which may include an existing teacher professional development program with proven outcomes within a four-year institution of higher education that provides intensive and sustained collaboration between faculty and local educational agencies consistent with the requirements of this title; and

(V) a school or department of arts and sciences within such partner institution; or

(ii) shall include—

(I)(aa) a partner education institution;

(bb) a school, department, or program of education within such partner institution, which may include an existing teacher professional development program with proven outcomes within a four-year institution of higher education that provides intensive and sustained collaboration between faculty and local educational agencies consistent with the requirements of this title; or

(cc) a school or department of arts and sciences within such partner institution; and

(II) a State educational agency that will serve to place graduates of partnership programs into high-need local educational agencies, schools, or early childhood programs, or schools that have been identified for comprehensive support and improvement under section 1111(d)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(d)(2)); and

(B) that may include any of the following:

(i) The Governor of the State.

(ii) The State educational agency.

(iii) The State board of education.

(iv) The State agency for higher education.

(v) A public or private nonprofit educational organization.

(vi) An educational service agency.

(vii) A public school teacher, principal, or school leader organization.

(viii) A high-performing local educational agency, or a consortium of such local educational agencies, that can serve as a resource to the partnership.

(ix) A charter school (as defined in section 4310 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7221i)).

(x) A school or department within the partner institution that focuses on psychology and human development.

(xi) A school or department within the partner institution for teacher or school leader preparation with comparable expertise in the disciplines of teaching, learning, and child and adolescent development.

(xii) An entity operating a program that provides alternative routes to State certification of teachers or principals.

(11) ENGLISH LEARNER.—The term "English learner" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(12) EVIDENCE-BASED.—The term "evidence-based" has the meaning given the term in subclauses (I) and (II) of section 8101(21)(A)(i) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(21)(A)).

(13) EVIDENCE OF STUDENT LEARNING.—The term "evidence of student learning" means multiple measures of student learning that include the following:

(A) Valid and reliable student assessment data, which may include data—

(i) on student learning gains on statewide academic assessments under section 1111(b)(2) of the Elementary and Secondary Education Act of 1965;

(ii) from student academic achievement assessments used at the national, State, or local levels, where available and appropriate for the curriculum and students taught;

(iii) from classroom-based summative assessments; and

(iv) from high quality validated performance-based assessments that are aligned with challenging State academic standards adopted under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1)).

(B) Not less than one of the following additional measures:

(i) Student work, including measures of performance criteria and evidence of student growth.

(ii) Teacher-generated information about student goals and growth.

(iii) Parental feedback about student goals and growth.

(iv) Student feedback about learning and teaching supports.

(v) Assessments of affective engagement and self-efficacy.

(vi) Other appropriate measures, as determined by the State.

(14) FOSTER CARE.—

(A) IN GENERAL.—The term "foster care" means 24-hour substitute care for a child placed away from the child's parents or guardians and for whom the State agency has placement and care responsibility. The term includes care through a placement in a foster family home, a foster home of a relative, a group home, an emergency shelter, a residential facility, a child care institution, or a pre-adoptive home.

(B) RULE.—A child shall be considered to be in foster care under subparagraph (A) without regard to whether—

(i) the foster care facility is licensed and payments are made by the State or local agency for the care of the child;

(ii) adoption subsidy payments are being made prior to the finalization of an adoption; or

(iii) Federal matching funds for any payments described in clause (i) or (ii) are being made.

(15) HIGH-NEED EARLY CHILDHOOD EDUCATION PROGRAM.—The term "high-need early childhood education program" means an early childhood education program serving children from low-income families that is located within the geographic area served by a high-need local educational agency.

(16) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term "high-need local educational agency" means a local educational agency—

(A)(i) that serves not fewer than 10,000 low-income children;

(ii) for which not less than 40 percent of the children served by the agency are low-income children;

(iii) that meets the eligibility requirements for funding under the Small, Rural School Achievement Program under section 5211(b) of the Elementary and Secondary Education Act of 1965 or the Rural and Low-Income School Program under section 6221(b) of such Act; or

(iv) that has a percentage of low-income children that is in the highest quartile among such agencies in the State; and

(B)(i) for which a significant number of schools served by the agency is identified by the State for comprehensive supports and interventions under section 1111(c)(4)(D)(i) of the Elementary and Secondary Education Act of 1965; or

(ii) for which a significant number of schools served by the agency has a high teacher turnover rate or is experiencing a teacher shortage in a high-needs field, as determined by the State.

(17) HIGH-NEED SCHOOL.—

(A) IN GENERAL.—The term "high-need school" means a school that, based on the most recent data available, is—

(i) an elementary school, in which not less than 60 percent of students are eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act;

(ii) any other school that is not an elementary school, in which not less than 45 percent of students are eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.); or

(iii) identified for comprehensive support and improvement under section 1111(c)(4)(D) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(c)(4)(D)), targeted support and improvement under section 1111(d)(2) of such Act (20 U.S.C. 6311(d)(2)), or additional targeted support under section 1111(d)(2)(C) of such Act (20 U.S.C. 6311(d)(2)(C)).

(B) SPECIAL RULE.—

(i) DESIGNATION BY THE SECRETARY.—The Secretary may, upon approval of an application submitted by an eligible partnership seeking a grant under this title, designate a school that does not qualify as a high-need school under subparagraph (A) as a high-need school for the purpose of this title. The Secretary shall base the approval of an application for designation of a school under this clause on a consideration of the information required under clause (ii), and may also take into account other information submitted by the eligible partnership.

(ii) APPLICATION REQUIREMENTS.—An application for designation of a school under clause (i) shall include—

(I) the number and percentage of students attending such school who are—

(aa) aged 5 through 17 in poverty counted in the most recent census data approved by the Secretary;

(bb) eligible for a free or reduced price school lunch under the Richard B. Russell National School Lunch Act;

(cc) in families receiving assistance under the State program funded under part A of title IV of the Social Security Act; or

(dd) eligible to receive medical assistance under the Medicaid program;

(II) information about the student academic achievement of students at such school; and

(III) for a secondary school, the four-year adjusted cohort graduation rate for such school.

(18) HIGHLY COMPETENT.—The term "highly competent", when used with respect to an early childhood educator, means an early childhood educator—

(A) with specialized education and training in development and education of young children from birth until

entry into kindergarten or a specialization in infants and toddlers or pre-school children;

(B) with a baccalaureate degree in an academic major in an early childhood or related field; and

(C) who has demonstrated a high level of knowledge and use of content and pedagogy in the relevant areas associated with quality early childhood education.

(19) HOMELESS CHILD.—The term "homeless child" means an individual who is a homeless child or youth under section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a).

(20) INDUCTION PROGRAM.—The term "induction program" means a formalized program for new teachers, principals, or school leaders, during not less than the teachers', principals, or school leaders' first 2 years of, respectively, teaching or leading, that is designed to provide support for, and improve the professional performance and increase the retention in the education field of, beginning teachers, principals, or school leaders. Such program shall promote effective teaching or leadership skills and shall include the following components:

(A) High-quality and structured teacher or school leader mentoring led by a trained and expert mentor who has demonstrated high skill and effectiveness and who teaches or leads, or has taught or led, in the same or similar field, grade, or subject as the mentee.

(B) Periodic, structured time for collaboration, including with mentors, as well as time for information-sharing among teachers, principals, other school leaders and administrators, other appropriate instructional staff, and participating faculty or program staff in the partner institution.

(C) The application of evidence-based instructional practices.

(D) Opportunities for new teachers, principals, or school leaders to draw directly on the expertise of mentors, faculty or program staff, and researchers, including through mentor observation and feedback, to support the integration of evidence-based research and practice.

(E) The development of skills in evidence-based instructional and behavioral supports and interventions.

(F) Programs to support the health and well-being of teachers, particularly in high-need schools or high-need local educational agencies. These may include programs that focus on social emotional learning, organizational interventions, workplace wellness, and stress management.

(G) Faculty or program staff who—

(i) model the integration of research and practice in the classroom and school; and

(ii) assist new teachers or school leaders with the effective use and integration of educational and accessible technology and universal design for learning into the classroom or school.

(H) Interdisciplinary collaboration among teacher leaders or school leaders, faculty or program staff, researchers, and other staff who prepare new teachers or school leaders with

respect to, as applicable, the learning process, the assessment of learning, or the leadership of a school.

(I) As applicable to the role, assistance with understanding of the effective use of data, particularly student achievement data, and the applicability of such data to inform and improve classroom instruction and school leadership.

(J) Regular and structured observation and evaluation of new teachers, principals, or other school leaders that are based in part on evidence of student learning, shall include multiple measures of educator performance, and shall provide clear, timely, and useful feedback to teachers, principals, or other school leaders to be used to improve instruction, as applicable.

(K) With respect to a principal induction program, the development of local-educational-agency-wide systems such as rigorous leader standards, continuous ongoing identification of goals for improvement, and support for achieving those goals.

(L) The development of skills in improving the school culture and climate related to school leadership and the role of the principal, including to—

(i) nurture teacher and staff development to strengthen classroom practice;

(ii) support teacher health and well-being, including through programs that focus on social emotional learning, organizational interventions, workplace wellness, and stress management;

(iii) build and sustain an inclusive culture of learning among adults and children;

(iv) strengthen communications and relationships with teachers, parents, caregivers, paraprofessionals, and community stakeholders;

(v) facilitate the sharing of knowledge, insight, and best practices in the community served by the school, preschool program, or early childhood education program, including with youth serving programs (such as before- and after-school and summer programs); and

(vi) build relationships and communicate effectively with State and local educational agency officials.

(21) INFANT OR TODDLER WITH A DISABILITY.—The term "infant or toddler with a disability" has the meaning given the term in section 632 of the Individuals with Disabilities Education Act (20 U.S.C. 1432).

(22) MENTORING.—The term "mentoring" means the mentoring or coaching of new or prospective teachers, principals, or school leaders through a program that—

(A) includes clear criteria for the selection of teacher, principal, or school leader mentors who may be program staff and who will provide role model relationships for mentees, which criteria shall be developed by the eligible partnership and based on measures of teacher or school leader effectiveness;

(B) provides high-quality training for such mentors, including instructional strategies for culturally relevant

teaching practices, literacy instruction and classroom management (including approaches that improve the schoolwide climate for learning, create inclusive classroom environments, and address the social and emotional needs of students, which may include positive behavioral interventions and supports);

(C) provides regular and ongoing opportunities for mentors and mentees to observe each other's teaching or leading methods in classroom or school settings during the day in a high-need school in the high-need local educational agency in the eligible partnership;

(D) provides paid release time for mentors;

(E) for teachers, provides mentoring to each mentee by a colleague who teaches in the same field, grade, or subject as the mentee;

(F) for teachers, promotes empirically-based practice of, and evidence-based research on, where applicable—

(i) teaching and learning;

(ii) assessment of student learning;

(iii) the development of teaching skills through the use of instructional and behavioral interventions, including trauma-informed practices; and

(iv) the improvement of the mentees' capacity to measurably advance student learning; and

(G) includes—

(i) common planning time or regularly scheduled collaboration for the mentor and mentee; and

(ii) as applicable, joint professional development opportunities.

(23) PARENT.—The term "parent" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(24) PARTNER INSTITUTION.—The term "partner institution" means an institution of higher education, which may include a 2-year institution of higher education offering a dual program with a 4-year institution of higher education, participating in an eligible partnership that has a teacher or school leader preparation program that is accredited by the State—

(A) in the case of a teacher preparation program—

(i) whose graduates exhibit strong performance on State-determined qualifying assessments for new teachers through—

(I) demonstrating that 80 percent or more of the graduates of the program who intend to enter the field of teaching have passed all of the applicable State qualification assessments for new teachers, which shall include an assessment of each prospective teacher's subject matter knowledge in the content area in which the teacher intends to teach; or

(II) that is not designated as a low-performing teacher preparation program in the State as determined by the State—

(aa) using criteria consistent with the requirements for the State assessment under sec-

tion 207(a) before the first publication of such report card; and

(bb) using the State assessment required under section 207(a), after the first publication of such report card and for every year thereafter; and

(ii) that requires—

(I) each student in the program to meet high academic standards or demonstrate a record of success, as determined by the institution (including prior to entering and being accepted into a program), and participate in intensive clinical experience;

(II) each student in the program preparing to become a teacher who meets the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C)); and

(III) each student in the program preparing to become an early childhood educator to become highly competent; and

(B) in the case of a school leader preparation program—

(i) whose graduates exhibit a strong record of successful school leadership as demonstrated by—

(I) a high percentage of such graduates taking positions as assistant principals and principals within 3 years of completing the program; and

(II) a high percentage of such graduates rated effective or above in State school leader evaluation and support systems (as described in section 2101(c)(4)(B)(ii) of the Elementary and Secondary Education Act of 1965) or, if no such ratings are available, other, comparable indicators of performance; and

(ii) that requires each student in the program to participate in an intensive, high-quality clinical experience in an authentic setting (including by assuming substantial leadership responsibilities) for at least one full academic semester (or the equivalent) in which the student can be evaluated on leadership skills and the student's effect on student learning as part of program completion.

(25) PROFESSIONAL DEVELOPMENT.—The term "professional development" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(26) PROFESSION-READY.—The term "profession-ready"—

(A) when used with respect to a principal or other school leader, means a principal or other school leader who—

(i) has an advanced degree, or other appropriate credential;

(ii) has completed a principal or other school leader preparation process and is fully certified and licensed by the State in which the principal or other school leader is employed;

(iii) has demonstrated instructional leadership, including the ability to collect, analyze, and utilize data on evidence of student learning and evidence of classroom practice;

(iv) has demonstrated proficiency in professionally recognized leadership standards, such as through—

(I) a performance assessment;

(II) completion of a residency program; or

(III) other measures of leadership effectiveness, as determined by the State; and

(v) has demonstrated the ability to work with students with disabilities and students who are culturally and linguistically diverse;

(B) when used with respect to a teacher, means a teacher who—

(i) has completed a teacher preparation program and is fully certified and licensed to teach by the State in which the teacher is employed;

(ii) has a baccalaureate degree or higher;

(iii) has demonstrated content knowledge in the subject or subjects the teacher teaches;

(iv) has demonstrated the ability to work with students with disabilities and students who are culturally and linguistically diverse;

(v) has demonstrated teaching skills, such as through—

(I) a teacher performance assessment; or

(II) other measures of teaching skills, as determined by the State; and

(vi) has demonstrated proficiency with the use of educational and accessible technology; and

(C) when used with respect to any other educator not described in subparagraph (A) or (B), means an educator who has completed an appropriate preparation program and is fully certified or licensed by the State in which the educator is employed.

(27) RESIDENCY PROGRAM.—The term "residency program" means a school-based educator preparation program, based on models of effective teaching and leadership residencies, in which a prospective teacher, principal, or other school leader—

(A) for 1 academic year, works alongside a mentor teacher, principal, or other school leader who is—

(i) the educator of record; and

(ii) is rated as effective or above in the State's school leader evaluation and support system (as described in section 2101(c)(4)(B)(ii) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6611(c)(4)(B)(ii))) or, if no such ratings are available, other, on comparable indicators of performance;

(B) receives concurrent, aligned instruction during the year described in subparagraph (A) from the partner insti-

tution, which may be courses taught by local educational agency personnel or residency program faculty, in, as applicable—

(i) the teaching of the content area in which the teacher will become certified or licensed;

(ii) pedagogical practices, including the teaching skills defined in paragraph (33); and

(iii) leadership, management, organizational, and instructional skills necessary to serve as a principal or other school leader;

(C) acquires effective teaching or leadership skills through the integration of pedagogy, classroom or school practice, and teacher or leadership mentoring; and

(D) prior to completion of the program—

(i) demonstrates the prerequisite skills to advance student learning, which may be measured by a teacher or school leader performance assessment;

(ii) attains full State teacher, principal, or school leader certification or licensure;

(iii) with respect to special education teachers, meets the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C)); and

(iv) becomes profession-ready.

(28) SCHOOL LEADER.—The term "school leader" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(29) SCHOOL LEADER PREPARATION ENTITY.—The term "school leader preparation entity" means an institution of higher education or a nonprofit organization, including those institutions or organizations that provide alternative routes to certification, that is approved by the State to prepare school leaders to be effective.

(30) SCHOOL LEADER PREPARATION PROGRAM.—The term "school leader preparation program" means a program offered by a school leader preparation entity, whether a traditional or alternative route, that is approved by the State to prepare school leaders to be effective and that leads to a specific State certification to be a school leader.

(31) SCHOOL LEADER SKILLS.—The term "school leader skills" refers to evidenced-based competencies for principals and other school leaders such as—

(A) shaping a vision of academic success for all students;

(B) creating a safe and inclusive learning environment;

(C) cultivating leadership in others;

(D) improving instruction; and

(E) managing people, data, and processes to foster school improvement.

(32) TEACHER LEADER.—The term "teacher leader" means an effective educator who carries out formalized leadership responsibilities based on the demonstrated needs of the elementary school or secondary school in which the teacher is employed, while maintaining a role as a classroom instructor who—

(A) is trained in and practices teacher leadership; and

(B) fosters a collaborative culture to—

(i) support educator development, effectiveness, and student learning;

(ii) support access and use research to improve practice and student learning;

(iii) promote professional learning for continuous improvement;

(iv) facilitate improvements in instruction and student learning; promote the appropriate use of assessments and data for school and district improvement;

(v) improve outreach and collaboration with families and community;

(vi) advance the profession by shaping and implementing policy;

(vii) advocate for increased access to great teaching and learning for all students; and

(viii) demonstrate cultural competencies and provide instruction and support as such.

(33) TEACHING SKILLS.—The term "teaching skills" means skills that enable a teacher to—

(A) increase student learning, achievement, and the ability to apply knowledge;

(B) effectively convey, explain, and provide opportunities for students to develop the skills aligned with the full depth and breadth of the State challenging academic standards, including the application of academic subject matter;

(C) effectively teach higher-order analytical, evaluation, problem-solving, critical thinking, social and emotional, collaboration, and communication skills;

(D) employ strategies grounded in the disciplines of teaching and learning that—

(i) are based on empirically-based practice and evidence-based research, where applicable, related to teaching and learning;

(ii) are specific to academic subject matter; and

(iii) focus on the identification of students' specific learning needs, particularly students with disabilities, students who are English learners, students who are gifted and talented, and students with low literacy levels, and the tailoring of academic instruction to such needs;

(E) design and conduct ongoing assessments of student learning, which may include the use of formative assessments, performance-based assessments, project-based assessments, or portfolio assessments, that measures higher-order thinking skills (including application, analysis, synthesis, and evaluation) and use this information to inform and personalize instruction;

(F) support the social, emotional, and academic achievement of all students including effectively manage a classroom creating a positive and inclusive classroom environment, including the ability to implement positive behavioral interventions, trauma-informed care, and other support strategies;

(G) support an inclusive learning environment through culturally responsive teaching;

(H) support accessible technology-rich instruction, assessment, and learning management in content areas, accessible technology literacy, and the use of universal design;

(I) demonstrate proficiency with the use of educational and accessible technology;

(J) communicate and work with families, and involve families in their children's education; and

(K) use, in the case of an early childhood educator or an educator at the elementary school or secondary school level, age-appropriate and developmentally appropriate strategies and practices for children and youth in early childhood education and elementary school or secondary school programs, respectively.

(34) TEACHER PERFORMANCE ASSESSMENT.—The term "teacher performance assessment" means a pre-service assessment used to measure teacher performance that is approved by the State and is—

(A) based on professional teaching standards;

(B) used to measure the effectiveness of a teacher's—

(i) curriculum planning informed by an understanding of students' prior knowledge, experiences, and racial, linguistic, cultural, and community assets;

(ii) instruction of students, including the skills necessary to advance student learning, and including appropriate plans, differentiation, and modifications to support student learning needs, including English learners and students with disabilities;

(iii) assessment of students, including analysis of evidence of student learning;

(iv) ability to analyze, reflect on, and improve teaching practice in response to student learning; and

(v) demonstrate cultural competencies through curriculum planning and instruction.

(C) validated based on professional assessment standards;

(D) reliably scored by trained evaluators, with appropriate oversight of the process to ensure consistency; and

(E) used to support continuous improvement of educator practice.

(35) TEACHER PREPARATION ENTITY.—The term "teacher preparation entity" means an institution of higher education, a nonprofit organization, or other organization that is approved by a State to prepare teachers to be effective in the classroom.

(36) TEACHER PREPARATION PROGRAM.—The term "teacher preparation program" means a program offered by a teacher preparation entity that leads to a specific State teacher certification.

(37) TRAUMA-INFORMED CARE.—The term "trauma-informed care" is defined as the evidence-based practices outlined in section 4108(B)(II)(aa) of the Elementary and Secondary Education Act of 1965.

PART A—TEACHER QUALITY PARTNERSHIP GRANTS

SEC. 201. PURPOSES.

The purposes of this part are to—

(1) improve student achievement;

(2) improve the quality of prospective and new teachers [by improving the preparation of prospective teachers and enhancing professional development activities for new teachers], *school leaders, including teacher leaders, and other educators by improving the preparation of prospective teachers, school leaders, and other educators and enhancing professional development activities for new teachers, school leaders, and other educators*;

(3) hold teacher preparation programs at institutions of higher education accountable for preparing teachers who meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification,or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act[; and]*;*

[(4) recruit highly qualified individuals, including minorities and individuals from other occupations, into the teaching force.]

(4) hold teacher, principal and school leader, and other educator preparation programs accountable for preparing effective teachers, principals and school leaders, and other educators;

(5) recruit individuals, including members of racial and ethnic groups underrepresented in the teaching profession and individuals from other occupations (including informal education and youth development fields), as profession-ready teachers and other educators, ensuring such individuals receive appropriate training in pedagogy and classroom management, with an emphasis on areas of State-identified teacher shortage; and

(6) meet the staffing needs of high-need local educational agencies and high-need schools through close partnerships with educator preparation programs within institutions of higher education.

SEC. 202. PARTNERSHIP GRANTS.

(a) PROGRAM AUTHORIZED.—From amounts made available under section 209, the Secretary is authorized to award grants, on a competitive basis, to eligible partnerships, to enable the eligible partnerships to carry out the activities described in subsection (c).

(b) APPLICATION.—Each eligible partnership desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each such application shall contain—

(1) a needs assessment of the partners in the eligible partnership with respect to the preparation, ongoing training, professional development, *equitable distribution,* and retention of general education and special education teachers, principals, and, as applicable, early childhood educators;

[(2) a description of the extent to which the program to be carried out with grant funds, as described in subsection (c), will prepare prospective and new teachers with strong teaching skills;]

(2) a description of the extent to which the program to be carried out with grant funds, as described in subsection (c), will prepare prospective teachers, school leaders, and new educators with strong teaching, school leadership, and other professional skills necessary to increase learning and academic achievement;

(3) a description of how such program will prepare prospective and new teachers*, school leaders, and other educators,* to understand and use research and data to modify and improve classroom instruction;

(4) a description of—

(A) how the eligible partnership will coordinate strategies and activities assisted under the grant with other teacher*, school leader, and other educator* preparation or professional development programs, including programs funded under the Elementary and Secondary Education Act of 1965 and the Individuals with Disabilities Education Act, and through the National Science Foundation; and

(B) how the activities of the partnership will be consistent with State, local, and other education reform activities that promote teacher*, school leader, and other educator* quality and student academic achievement;

(5) an assessment that describes the resources available to the eligible partnership, including—

(A) the integration of funds from other related sources;

(B) the intended use of the grant funds; and

(C) the commitment of the resources of the partnership to the activities assisted under this section, including financial support, faculty participation, and time commitments, and to the continuation of the activities when the grant ends;

(6) a description of—

(A) how the eligible partnership will meet the purposes of this part;

(B) how the partnership will carry out the activities required under subsection (d) or (e), based on the needs identified in paragraph (1), with the goal of improving student academic achievement;

(C) if the partnership chooses to use funds under this section for a project or activities under subsection (f) or (g), how the partnership will carry out such project or required activities based on the needs identified in paragraph (1), with the goal of improving student academic achievement;

(D) the partnership's evaluation plan under section 204(a);

(E) how the partnership will align the teacher preparation program under subsection (c) with the—

(i) State early learning standards for early childhood education programs, as appropriate, and with the relevant domains of early childhood development; and

(ii) challenging State academic standards under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965, established by the State in which the partnership is located;

[(F) how the partnership will prepare general education teachers to teach students with disabilities, including training related to participation as a member of individualized education program teams, as defined in section 614(d)(1)(B) of the Individuals with Disabilities Education Act;

[(G) how the partnership will prepare general education and special education teachers to teach students who are limited English proficient;

[(H) how faculty at the partner institution will work, during the term of the grant, with teachers who meet the applicableState certification and licensure requirements, includingany requirements for certification obtained through alternativeroutes to certification, or, with regard to specialeducation teachers, the qualifications described in section612(a)(14)(C) of the Individuals with Disabilities EducationAct, in the classrooms of high-need schools served by the high-need local educational agency in the partnership to—

[(i) provide high-quality professional development activities to strengthen the content knowledge and teaching skills of elementary school and secondary school teachers; and

[(ii) train other classroom teachers to implement literacy programs that incorporate the essential components of reading instruction;]

(F) how the partnership will prepare educators to teach and work with students with disabilities, including training related to early identification of students with disabilities and participation as a member of individualized education program teams, as defined in section 614(d)(1)(B) of the Individuals with Disabilities Education Act to ensure that students with disabilities receive effective services, consistent with the requirements of the Individuals with Disabilities Education Act, that are needed for such students to achieve to challenging State academic standards;

(G) how the partnership will prepare educators to teach and work with students who are English learners to ensure that students who are English learners receive the services that are needed for such students to achieve to challenging State academic standards;

(H) in the case of activities related to principal and school leader preparation programs, how the partnership will prepare principals and other school leaders to foster instruction that supports the success of all students, including students with disabilities, students who are English learners, and students in early childhood education in alignment with State early learning standards for early childhood education programs;

(I) how faculty at the partner institution will work, during the term of the grant, with mentor educators in the

classrooms and administrators of high-need schools served by the high-need local educational agency in the partnership to—

(i) provide high-quality professional development activities to strengthen the content knowledge and teaching skills of elementary school and secondary school teachers and other educators, including multi-tiered systems of support and universal design for learning;

(ii) train other classroom teachers, principals or other school leaders, school librarians, and other educators to implement literacy programs that incorporate the components of comprehensive literacy instruction; and

(iii) provide evidence-based, high-quality professional development activities to strengthen the instructional and leadership skills of elementary school and secondary school principals or other school leaders and district superintendents, if the partner institution has a principal or school leader preparation program;

[(I)**]** *(J) as applicable* how the partnership will design, implement, or enhance a year-long and rigorous teaching preservice clinical program component;

[(J)**]** *(K)* how the partnership will support in-service professional development strategies and activities; **[**and**]**

(L) how faculty at the partner institution for school leader preparation will work, during the term of the grant, with their—

(i) State to use rigorous, research-based leader standards and align program accreditation criteria and principal licensure requirements with those standards; and

(ii) high-needs local education agencies that hire their graduates to use rigorous, evidence-based leader standards and align program content and local educational agencies' evaluation systems with those standards; and

[(K)**]** *(M)* how the partnership will collect, analyze, and use data on the retention of all teachers*, principals or other school leaders* and early childhood educators in schools and early childhood education programs located in the geographic area served by the partnership to evaluate the effectiveness of the partnership's teacher and educator support system; and

(7) with respect to the induction program required as part of the activities carried out **[**under this section**]** *under paragraphs (1)(B)(iv) and (3) of subsection (d)—*

(A) *as applicable,* a demonstration that the schools and departments within the institution of higher education that are part of the induction program will effectively prepare teachers, including providing content expertise and expertise in teaching, as appropriate;

(B) a demonstration of the eligible partnership's capability and commitment to, and the accessibility to and involvement of faculty in, the use of empirically-based prac-

tice and [scientifically valid] *evidence-based* research on teaching and learning;

(C) a description of how the teacher preparation program will design and implement an induction program to support, through not less than the first two years of teaching, all new teachers who are prepared by the teacher preparation program in the partnership and who teach in the high-need local educational agency in the partnership, and, to the extent practicable, all new teachers who teach in such high-need local educational agency, in the further development of the new teachers' teaching skills, including the use of mentors who are trained and compensated by such program for the mentors' work with new teachers; and

(D) a description of how faculty involved in the induction program will be able to substantially participate in an early childhood education program or an elementary school or secondary school classroom setting, as applicable, including release time and receiving workload credit for such participation.

[(c) USE OF GRANT FUNDS.—An eligible partnership that receives a grant under this section—

[(1) shall use grant funds to carry out a program for the preparation of teachers under subsection (d), a teaching residency program under subsection (e), or a combination of such programs; and

[(2) may use grant funds to carry out a leadership development program under subsection (f).]

(c) USE OF GRANT FUNDS.—An eligible partnership that receives a grant under this section—

(1) shall use such grant to carry out —

(A) a program for the pre-baccalaureate or post-baccalaureate preparation of teachers described in subsection (d);

(B) a teaching residency program, or a principal or other school leader residency program, described in subsection (e);

(C) a high-quality "Grow Your Own" program; or

(D) a combination of such programs; and

(2) may use such grant to carry out other educator development programs under subsection (f), based upon the results of the needs assessment in subsection (b)(1).

(d) PARTNERSHIP GRANTS FOR THE PREPARATION OF TEACHERS.—An eligible partnership that receives a grant to carry out a program for the preparation of teachers shall carry out an effective pre-baccalaureate teacher preparation program or a 5th year initial licensing program that includes all of the following:

(1) REFORMS.—

(A) IN GENERAL.—Implementing reforms, described in subparagraph (B), within each teacher preparation program and, as applicable, each preparation program for early childhood education programs, of the eligible partnership that is assisted under this section, to hold each program accountable for—

(i) preparing—

(I) new or prospective teachers to meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act(including teachers in rural school districts, special educators, and teachers of students who are [limited English proficient] *English learners*);

(II) such teachers and, as applicable, early childhood educators, to understand empirically-based practice and [scientifically valid] *evidence-based* research related to teaching and learning and the applicability of such practice and research, including through the effective use of technology, instructional techniques, and strategies consistent with the principles of universal design for learning, and through positive behavioral interventions and support strategies to improve student achievement; and

(III) as applicable, early childhood educators to be highly competent; and

(ii) promoting strong teaching skills and, as applicable, techniques for early childhood educators to improve children's cognitive, social, emotional, and physical development.

(B) REQUIRED REFORMS.—The reforms described in subparagraph (A) shall include—

(i) implementing teacher preparation program curriculum changes that improve, evaluate, and assess how well all prospective and new teachers develop teaching skills;

(ii) using empirically-based practice and [scientifically valid] *evidence-based* research, where applicable, about teaching and learning so that all prospective teachers and, as applicable, early childhood educators—

(I) understand and can implement research-based teaching practices in classroom instruction;

(II) have knowledge of student learning methods;

(III) possess skills to analyze student academic achievement data and other measures of student learning, and use such data and measures to improve classroom instruction;

(IV) possess teaching skills and an understanding of effective instructional strategies across all applicable content areas that enable general education and special education teachers and early childhood educators to—

(aa) meet the specific learning needs of all students, including students with disabilities, students who are [limited English proficient]

English learners, students who are gifted and talented, students with low literacy levels and, as applicable, children in early childhood education programs; and

(bb) differentiate instruction for such students;

(V) can effectively participate as a member of the individualized education program team, as defined in section 614(d)(1)(B) of the Individuals with Disabilities Education Act; and

(VI) can successfully employ effective strategies for [reading instruction] *comprehensive literacy instruction* using the essential components of [reading instruction] *comprehensive literacy instruction*;

(iii) ensuring collaboration with departments, programs, or units of a partner institution outside of the teacher preparation program in all academic content areas to ensure that prospective teachers receive training in both teaching and relevant content areas in order to meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act, which may include training in multiple subjects to teach multipleg rade levels as may be needed for individuals preparing to teach in rural communities and for individuals preparing to teach students with disabilities;

(iv) developing and implementing an induction program;

(v) developing admissions goals and priorities aligned with the hiring objectives of the high-need local educational agency in the eligible partnership; and

(vi) implementing program and curriculum changes, as applicable, to ensure that prospective teachers have the requisite content knowledge, preparation, and degree to teach Advanced Placement or International Baccalaureate courses successfully.

(2) CLINICAL EXPERIENCE AND INTERACTION.—Developing and improving a sustained and high-quality preservice clinical education program to further develop the teaching skills of all prospective teachers and, as applicable, early childhood educators, involved in the program. Such program shall do the following:

(A) Incorporate year-long opportunities for enrichment, including—

(i) clinical learning in classrooms in high-need schools served by the high-need local educational agency in the eligible partnership, and identified by the eligible partnership; and

(ii) closely supervised interaction between prospective teachers and faculty, experienced teachers, prin-

cipals, other administrators, and school leaders at early childhood education programs (as applicable), elementary schools, or secondary schools, and providing support for such interaction.

(B) Integrate pedagogy and classroom practice and promote effective teaching skills in academic content areas.

(C) Provide high-quality teacher mentoring.

(D) Be offered over the course of a program of teacher preparation.

(E) Be tightly aligned with course work (and may be developed as a fifth year of a teacher preparation program).

(F) Where feasible, allow prospective teachers to learn to teach in the same local educational agency in which the teachers will work, learning the instructional initiatives and curriculum of that local educational agency.

(G) As applicable, provide training and experience to enhance the teaching skills of prospective teachers to better prepare such teachers to meet the unique needs of teaching in rural or urban communities.

(H) Provide support and training for individuals participating in an activity for prospective or new teachers described in this paragraph or paragraph (1) or (3), and for individuals who serve as mentors for such teachers, based on each individual's experience. Such support may include—

(i) with respect to a prospective teacher or a mentor, release time for such individual's participation;

(ii) with respect to a faculty member, receiving course workload credit and compensation for time teaching in the eligible partnership's activities; and

(iii) with respect to a mentor, a stipend, which may include bonus, differential, incentive, or performance pay, based on the mentor's extra skills and responsibilities.

(3) INDUCTION PROGRAMS FOR NEW TEACHERS.—Creating an induction program for new teachers or, in the case of an early childhood education program, providing mentoring or coaching for new early childhood educators.

(4) SUPPORT AND TRAINING FOR PARTICIPANTS IN EARLY CHILDHOOD EDUCATION PROGRAMS.—In the case of an eligible partnership focusing on early childhood educator preparation, implementing initiatives that increase compensation for early childhood educators who attain associate or baccalaureate degrees in early childhood education.

(5) TEACHER RECRUITMENT.—Developing and implementing effective mechanisms (which may include alternative routes to State certification of teachers) to ensure that the eligible partnership is able to recruit qualified individuals to become teachers who meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification,or, with regard to special education teachers,the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act through the activities of the eligible partnership,

which may include an emphasis on recruiting into the teaching profession—

(A) individuals from under represented populations;

(B) individuals to teach in rural communities and teacher shortage areas, including mathematics, science, special education, and the instruction of [limited English proficient students] *students who are English learners*; and

(C) mid-career professionals from other occupations, *paraprofessionals,* former military personnel, and recent college graduates with a record of academic distinction.

(6) LITERACY TRAINING.—Strengthening the literacy teaching skills of prospective and, as applicable, new elementary school and secondary school teachers—

(A) to implement literacy programs that incorporate the essential components of [reading instruction] *comprehensive literacy instruction*;

(B) to use screening, diagnostic, formative, and summative assessments to determine students' literacy levels, difficulties, and growth in order to improve classroom instruction and improve student reading and writing skills;

(C) to provide individualized, intensive, and targeted literacy instruction for students with deficiencies in literacy skills; and

(D) to integrate literacy skills in the classroom across subject areas.

[(e) PARTNERSHIP GRANTS FOR THE ESTABLISHMENT OF TEACHING RESIDENCY PROGRAMS.—

[(1) IN GENERAL.—An eligible partnership receiving a grant to carry out an effective teaching residency program shall carry out a program that includes all of the following activities:

[(A) Supporting a teaching residency program described in paragraph (2) for high-need subjects and areas, as determined by the needs of the high-need local educational agency in the partnership.

[(B) Placing graduates of the teaching residency program in cohorts that facilitate professional collaboration, both among graduates of the teaching residency program and between such graduates and mentor teachers in the receiving school.

[(C) Ensuring that teaching residents who participate in the teaching residency program receive—

[(i) effective preservice preparation as described in paragraph (2);

[(ii) teacher mentoring;

[(iii) support required through the induction program as the teaching residents enter the classroom as new teachers; and

[(iv) the preparation described in subparagraphs (A), (B), and (C) of subsection (d)(2).

[(2) TEACHING RESIDENCY PROGRAMS.—

[(A) ESTABLISHMENT AND DESIGN.—A teaching residency program under this paragraph shall be a program based upon models of successful teaching residencies that serves as a mechanism to prepare teachers for success in the

high-need schools in the eligible partnership, and shall be designed to include the following characteristics of successful programs:

[(i) The integration of pedagogy, classroom practice, and teacher mentoring.

[(ii) Engagement of teaching residents in rigorous graduate-level course work leading to a master's degree while undertaking a guided teaching apprenticeship.

[(iii) Experience and learning opportunities alongside a trained and experienced mentor teacher—

[(I) whose teaching shall complement the residency program so that classroom clinical practice is tightly aligned with coursework;

[(II) who shall have extra responsibilities as a teacher leader of the teaching residency program, as a mentor for residents, and as a teacher coach during the induction program for new teachers, and for establishing, within the program, a learning community in which all individuals are expected to continually improve their capacity to advance student learning; and

[(III) who may be relieved from teaching duties as a result of such additional responsibilities.

[(iv) The establishment of clear criteria for the selection of mentor teachers based on measures of teacher effectiveness and the appropriate subject area knowledge. Evaluation of teacher effectiveness shall be based on, but not limited to, observations of the following:

[(I) Planning and preparation, including demonstrated knowledge of content, pedagogy, and assessment, including the use of formative and diagnostic assessments to improve student learning.

[(II) Appropriate instruction that engages students with different learning styles.

[(III) Collaboration with colleagues to improve instruction.

[(IV) Analysis of gains in student learning, based on multiple measures that are valid and reliable and that, when feasible, may include valid, reliable, and objective measures of the influence of teachers on the rate of student academic progress.

[(V) In the case of mentor candidates who will be mentoring new or prospective literacy and mathematics coaches or instructors, appropriate skills in the essential components of reading instruction, teacher training in literacy instructional strategies across core subject areas, and teacher training in mathematics instructional strategies, as appropriate.

[(v) Grouping of teaching residents in cohorts to facilitate professional collaboration among such residents.

[(vi) The development of admissions goals and priorities—

[(I) that are aligned with the hiring objectives of the local educational agency partnering with the program, as well as the instructional initiatives and curriculum of such agency, in exchange for a commitment by such agency to hire qualified graduates from the teaching residency program; and

[(II) which may include consideration of applicants who reflect the communities in which they will teach as well as consideration of individuals from underrepresented populations in the teaching profession.

[(vii) Support for residents, once the teaching residents are hired as teachers of record, through an induction program, professional development, and networking opportunities to support the residents through not less than the residents' first two years of teaching.

[(B) SELECTION OF INDIVIDUALS AS TEACHER RESIDENTS.—

[(i) ELIGIBLE INDIVIDUAL.—In order to be eligible to be a teacher resident in a teaching residency program under this paragraph, an individual shall—

[(I) be a recent graduate of a four-year institution of higher education or a mid-career professional from outside the field of education possessing strong content knowledge or a record of professional accomplishment; and

[(II) submit an application to the teaching residency program.

[(ii) SELECTION CRITERIA.—An eligible partnership carrying out a teaching residency program under this subsection shall establish criteria for the selection of eligible individuals to participate in the teaching residency program based on the following characteristics:

[(I) Strong content knowledge or record of accomplishment in the field or subject area to be taught.

[(II) Strong verbal and written communication skills, which may be demonstrated by performance on appropriate tests.

[(III) Other attributes linked to effective teaching, which may be determined by interviews or performance assessments, as specified by the eligible partnership.

[(C) STIPENDS OR SALARIES; APPLICATIONS; AGREEMENTS; REPAYMENTS.—

[(i) STIPENDS OR SALARIES.—A teaching residency program under this subsection shall provide a one-year living stipend or salary to teaching residents during the teaching residency program.

[(ii) APPLICATIONS FOR STIPENDS OR SALARIES.—Each teacher residency candidate desiring a stipend or

salary during the period of residency shall submit an application to the eligible partnership at such time, and containing such information and assurances, as the eligible partnership may require.

[(iii) AGREEMENTS TO SERVE.—Each application submitted under clause (ii) shall contain or be accompanied by an agreement that the applicant will—

[(I) serve as a full-time teacher for a total of not less than three academic years immediately after successfully completing the teaching residency program;

[(II) fulfill the requirement under subclause (I) by teaching in a high-need school served by the high-need local educational agency in the eligible partnership and teach a subject or area that is designated as high need by the partnership;

[(III) provide to the eligible partnership a certificate, from the chief administrative officer of the local educational agency in which the resident is employed, of the employment required in subclauses (I) and (II) at the beginning of, and upon completion of, each year or partial year of service;

[(IV) meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act, when the applicant begins to fulfill the service obligation under this clause; and

[(IV) meet the requirements to be a highly qualified teacher, as defined in section 9101 of the Elementary and Secondary Education Act of 1965, or section 602 of the Individuals with Disabilities Education Act, when the applicant begins to fulfill the service obligation under this clause; and

[(V) comply with the requirements set by the eligible partnership under clause (iv) if the applicant is unable or unwilling to complete the service obligation required by this clause.

[(iv) REPAYMENTS.—

[(I) IN GENERAL.—A grantee carrying out a teaching residency program under this paragraph shall require a recipient of a stipend or salary under clause (i) who does not complete, or who notifies the partnership that the recipient intends not to complete, the service obligation required byclause (iii)to repay such stipend or salary to the eligible partnership, together with interest, at a rate specified by the partnership in the agreement, and in accordance with such other terms and conditions specified by the eligible partnership, as necessary.

[(II) OTHER TERMS AND CONDITIONS.—Any other terms and conditions specified by the eligible partnership may include reasonable provisions for prorata repayment of the stipend or salary described in clause (i) or for deferral of a teaching resident's service obligation required byclause (iii),on grounds of health, incapacitation, inability to secure employment in a school served by the eligible partnership, being called to active duty in the Armed Forces of the United States, or other extraordinary circumstances.

[(III) USE OF REPAYMENTS.—An eligible partnership shall use any repayment received under this clause to carry out additional activities that are consistent with the purposes of this subsection.

[(f) PARTNERSHIP GRANTS FOR THE DEVELOPMENT OF LEADERSHIP PROGRAMS.—

[(1) IN GENERAL.—An eligible partnership that receives a grant under this section may carry out an effective school leadership program, which may be carried out in partnership with a local educational agency located in a rural area and that shall include all of the following activities:

[(A) Preparing individuals enrolled or preparing to enroll in school leadership programs for careers as superintendents, principals, early childhood education program directors, or other school leaders (including individuals preparing to work in local educational agencies located in rural areas who may perform multiple duties in addition to the role of a school leader).

[(B) Promoting strong leadership skills and, as applicable, techniques for school leaders to effectively—

[(i) create and maintain a data-driven, professional learning community within the leader's school;

[(ii) provide a climate conducive to the professional development of teachers, with a focus on improving student academic achievement and the development of effective instructional leadership skills;

[(iii) understand the teaching and assessment skills needed to support successful classroom instruction and to use data to evaluate teacher instruction and drive teacher and student learning;

[(iv) manage resources and school time to improve student academic achievement and ensure the school environment is safe;

[(v) engage and involve parents, community members, the local educational agency, businesses, and other community leaders, to leverage additional resources to improve student academic achievement; and

[(vi) understand how students learn and develop in order to increase academic achievement for all students.

[(C) Ensuring that individuals who participate in the school leadership program receive—

[(i) effective preservice preparation as described in subparagraph (D);

[(ii) mentoring; and

[(iii) if applicable, full State certification or licensure to become a school leader.

[(D) Developing and improving a sustained and high-quality preservice clinical education program to further develop the leadership skills of all prospective school leaders involved in the program. Such clinical education program shall do the following:

[(i) Incorporate year-long opportunities for enrichment, including—

[(I) clinical learning in high-need schools served by the high-need local educational agency or a local educational agency located in a rural area in the eligible partnership and identified by the eligible partnership; and

[(II) closely supervised interaction between prospective school leaders and faculty, new and experienced teachers, and new and experienced school leaders, in such high-need schools.

[(ii) Integrate pedagogy and practice and promote effective leadership skills, meeting the unique needs of urban, rural, or geographically isolated communities, as applicable.

[(iii) Provide for mentoring of new school leaders.

[(E) Creating an induction program for new school leaders.

[(F) Developing and implementing effective mechanisms to ensure that the eligible partnership is able to recruit qualified individuals to become school leaders through the activities of the eligible partnership, which may include an emphasis on recruiting into school leadership professions—

[(i) individuals from underrepresented populations;

[(ii) individuals to serve as superintendents, principals, or other school administrators in rural and geographically isolated communities and school leader shortage areas; and

[(iii) mid-career professionals from other occupations, former military personnel, and recent college graduates with a record of academic distinction.

[(2) SELECTION OF INDIVIDUALS FOR THE LEADERSHIP PROGRAM.—In order to be eligible for the school leadership program under this subsection, an individual shall be enrolled in or preparing to enroll in an institution of higher education, and shall—

[(A) be a—

[(i) recent graduate of an institution of higher education;

[(ii) mid-career professional from outside the field of education with strong content knowledge or a record of professional accomplishment;

[(iii) current teacher who is interested in becoming a school leader; or

[(iv) school leader who is interested in becoming a superintendent; and

[(B) submit an application to the leadership program.]

(e) PARTNERSHIP GRANTS FOR THE ESTABLISHMENT OF TEACHING AND PRINCIPAL OR OTHER SCHOOL LEADER RESIDENCY PROGRAMS.—

(1) IN GENERAL.—An eligible partnership receiving a grant to carry out an effective teaching residency program or principal or other school leader residency program that meets the following requirements:

(A) TEACHING RESIDENCY PROGRAM.—An eligible partnership carrying out a teaching residency program shall—

(i) support a teaching residency program described in paragraph (2) for high-need schools, as determined by the needs of high-need local educational agency in the partnership, and in high-need subjects and areas, as defined by such local educational agency; and

(ii) place graduates of the teaching residency program in cohorts that facilitate professional collaboration, both among graduates of the residency program and between such graduates and mentor teachers in the receiving school.

(B) PRINCIPAL OR SCHOOL LEADER RESIDENCY PROGRAM.—An eligible partnership carrying out a principal or school leader residency program shall support a program described in paragraph (3) for high-need schools, as determined by the needs of the high-need local educational agency in the partnership.

(2) TEACHING RESIDENCY PROGRAM.—

(A) ESTABLISHMENT AND DESIGN.—A teaching residency program under this paragraph shall be a program based upon models of successful teaching residencies that serves as a mechanism to prepare teachers for success in high-need schools in the eligible partnership and shall be designed to include the following characteristics of successful programs:

(i) The integration of pedagogy, classroom practice and teacher mentoring.

(ii) The exposure to principles of child and youth development, and understanding and applying principles of learning, behavior, and community and family engagement.

(iii) The exposure to principles of universal design for learning and multi-tiered systems of support.

(iv) Engagement of teaching residents in rigorous coursework that results in a baccalaureate or master's degree while undertaking a guided teaching clinical experience.

(v) Experience and learning opportunities alongside a trained and experienced mentor teacher—

(I) whose teaching shall complement the residency program so that school-based clinical practice is tightly aligned and integrated with coursework;

(II) who shall have extra responsibilities as a teacher leader of the teaching residency program, as a mentor for residents, and as a teacher coach during the induction program for new teachers, and for establishing, within the program, a learning community in which all individuals are expected to continually improve their capacity to advance student learning; and

(III) who may be relieved from teaching duties or may be offered a stipend as a result of such additional responsibilities.

(vi) The establishment of clear criteria for the selection of mentor teachers based on the appropriate subject area knowledge and measures of teacher effectiveness, which shall be based on, but not limited to, observations of the following:

(I) Planning and preparation, including demonstrated knowledge of content, pedagogy, and assessment, including the use of formative, summative, and diagnostic assessments to inform instruction and improve student learning.

(II) Appropriate instruction that engages all students.

(III) Collaboration with colleagues to improve instruction.

(IV) Analysis of evidence of student learning.

(V) Collaboration and the cultivation of relationships with external stakeholders (which may include professional disciplinary organizations and nonprofit advocacy organizations) to foster the sharing of evidence-based resources to promote high-quality, effective practices.

(vii) The development of admissions goals and priorities—

(I) that are aligned with the hiring objectives of the local educational agency partnering with the program, as well as the instructional initiatives and curriculum of such agency to hire qualified graduates from the teaching residency program; and

(II) which may include consideration of applicants who reflect the communities in which they will teach as well as consideration of individuals from underrepresented populations in the teaching profession.

(viii) Continued support for residents once such residents are hired as the teachers of record, through an induction program, evidence-based professional development, and networking opportunities to support the residents through not less than the residents' first 2 years of teaching.

(B) SELECTION OF INDIVIDUALS AS TEACHER RESIDENTS.—

(i) ELIGIBLE INDIVIDUAL.—In order to be eligible to be a teacher resident in a teaching residency program under this paragraph, an individual shall—

(I) be a recent graduate of a 4-year institution of higher education or a mid-career professional possessing strong content knowledge or a record of professional accomplishment;

(II) in the case of an undergraduate residency, enrolled as an undergraduate student in a partner institution as defined in this title; and

(III) submit an application to the residency program.

(ii) SELECTION CRITERIA.—An eligible partnership carrying out a teaching residency program under this subsection shall establish criteria for the selection of eligible individuals to participate in the teaching residency program based on the following characteristics:

(I) Strong content knowledge or record of accomplishment in the field or subject area to be taught.

(II) Strong verbal and written communication skills, which may be demonstrated by performance on appropriate assessments.

(III) Other attributes linked to effective teaching, which may be determined by interviews or performance assessments, as specified by the eligible partnership.

(3) PARTNERSHIP GRANTS FOR THE DEVELOPMENT OF PRINCIPAL AND OTHER SCHOOL LEADER RESIDENCY PROGRAMS.—

(A) ESTABLISHMENT AND DESIGN.—A principal or other school leader residency program under this paragraph shall be a program based upon models of successful principal or other school leader residencies, and may include the development or support of principal pipelines, that serve as a mechanism to prepare principals and other school leaders for success in high-need schools in the eligible partnership and shall be designed to include the following characteristics of successful programs:

(i) Engagement of principal or other school leader residents in rigorous graduate-level coursework to earn an appropriate advanced credential while undertaking a guided principal or other school leader clinical experience.

(ii) Experience and learning opportunities, including those that provide continuous feedback throughout the program on a participants' progress, alongside a trained and experienced mentor principal or other school leader—

(I) whose mentoring shall be based on standards of effective mentoring practice and shall complement the residence program so that school-based clinical practice is tightly aligned with coursework; and

(II) who may be relieved from some portion of principal or other school leader duties or may be offered a stipend as a result of such additional responsibilities.

(iii) The establishment of clear criteria for the selection of mentor principals or other school leaders, which may be based on observations of the following:

(I) Demonstrating awareness of, and having experience with, the knowledge, skills, and attitudes to—

(aa) establish and maintain a professional learning community that effectively extracts information from data to improve the school culture and climate, and personalize instruction for all students to result in improved student achievement;

(bb) create and maintain a learning culture within the school that provides an inclusive climate conducive to the development of all members of the school community, including one of continuous improvement and learning for adults tied to student learning and other school goals;

(cc) develop the professional capacity and practice of school personnel and foster a professional community of teachers and other professional staff;

(dd) engage in continuous professional development, utilizing a combination of academic study, developmental simulation exercises, self-reflection, mentorship, and internship;

(ee) understand youth development appropriate to the age level served by the school, and use this knowledge to set high expectations and standards for the academic, social, emotional, and physical development of all students;

(ff) understand the science of adverse childhood experiences to lead schools that implement trauma-informed practices; and

(gg) actively engage with families and the community to create shared responsibility for student academic performance and successful development.

(II) Planning and articulating a shared and coherent schoolwide direction and policy for achieving high standards of student performance, and closing gaps in achievement among subgroups of students.

(III) Identifying and implementing the activities and rigorous curriculum necessary for achieving such standards of student performance.

(IV) Supporting a culture of learning, collaboration, and professional behavior and ensuring quality measures of instructional practice.

(V) Communicating with, and engaging, parents, families, and other external communities.

(VI) Cultivating relationships and collaborating with external stakeholders, which may include professional disciplinary organizations and nonprofit advocacy organizations, to foster the sharing of evidence-based resources to promote high-quality, effective practices.

(VII) Collecting, analyzing, and utilizing data and other evidence of student learning and evidence of classroom practice to guide decisions and actions for continuous improvement and to ensure performance accountability.

(iv) The development of admissions goals and priorities—

(I) that are aligned with the hiring objectives of the local educational agency partnering with the program, as well as the instructional initiatives and curriculum of such agency to hire qualified graduates from the principal residency program; and

(II) which may include consideration of applicants who reflect the communities in which they will serve and consideration of individuals from underrepresented populations in school leadership positions.

(v) Continued support for residents once such residents are hired as principals or other school leaders, through an induction program, evidence-based professional development to support the knowledge and skills of the principal or other school leader in a continuum of learning and content expertise in developmentally appropriate or age-appropriate educational practices, and networking opportunities to support the residents through not less than the residents' first 2 years of serving as principal or other school leader of a school.

(B) SELECTION OF INDIVIDUALS AS PRINCIPAL OR OTHER SCHOOL LEADER RESIDENTS.—

(i) ELIGIBLE INDIVIDUAL.—In order to be eligible to be a principal or other school leader resident in a principal or other school leader residency program under this paragraph, an individual shall—

(I) have prior prekindergarten through grade 12 teaching experience;

(II) have experience as an effective leader, manager, and written and oral communicator; and

(III) submit an application to the residency program.

(ii) SELECTION CRITERIA.—An eligible partnership carrying out a principal or other school leader residency program under this subsection shall establish criteria for the selection of eligible individuals to participate in the principal residency program based on the following characteristics:

(I) Strong instructional leadership skills in an elementary school or secondary school setting.

(II) Strong verbal and written communication skills, which may be demonstrated by performance on appropriate assessments.

(III) Other attributes linked to effective leadership, such as sound judgment, organizational capacity, collaboration, commitment to equity and inclusiveness, and openness to continuous learning, which may be determined by interviews or performance assessment, as specified by the eligible partnership.

(4) STIPENDS OR SALARIES; APPLICATIONS; AGREEMENTS; AND REPAYMENTS.—

(A) STIPENDS OR SALARIES.—A teaching residency program, or a principal or other school leader residency program, under this subsection—

(i) shall provide a 1-year living stipend or salary to residents during the teaching residency program or the principal or other school leader residency program; and

(ii) may provide a stipend to a mentor teacher or mentor principal.

(B) APPLICATIONS.—

(i) IN GENERAL.—Each residency candidate desiring a stipend or salary during the period of residency shall submit an application to the eligible partnership at such time, in such manner, and containing such information and assurances, as the eligible partnership may require, and which shall include an agreement to serve described in clause (ii).

(ii) AGREEMENTS TO SERVE.—Each application submitted under clause (i) shall contain or be accompanied by an agreement that the applicant will—

(I) upon successfully completing the 1-year teaching residency program, or principal or other school leader residency program, serve as a full-time teacher, principal, or other school leader for a total of not less than 3 school years at—

(aa) a high-need school served by the high-need local educational agency in the eligible partnership and, in the case of a teacher, teach a subject or area that is designated as high-need by the partnership; or

(bb) in a case in which no appropriate position is available in a high-need school served by the high-need local educational agency in the eligible partnership, any other high-need school;

(II) provide to the eligible partnership a certificate, from the chief administrative officer of the local educational agency in which the teacher or principal or other school leader is employed, of the employment required under subclause (I) at the beginning of, and upon completion of, each year or partial year of service;

(III) in the case of a teacher resident, meet the requirements to be a profession-ready teacher;

(IV) in the case of a principal or other school leader resident, meet the requirements to be a profession-ready principal or other school leader; and

(V) comply with the requirements set by the eligible partnership under subparagraph (C) if the applicant is unable or unwilling to complete the service obligation required by this subparagraph.

(C) REPAYMENTS.—

(i) IN GENERAL.—An eligible partnership carrying out a teaching residency program, or a principal or other school leader residency program, under this subsection shall require a recipient of a stipend or salary under subparagraph (A) who does not complete, or who notifies the partnership that the recipient intends not to complete, the service obligation required by subparagraph (B) to repay such stipend or salary to the eligible partnership, together with interest, at a rate specified by the partnership in the agreement, and in accordance with such other terms and conditions specified by the eligible partnership, as necessary.

(ii) OTHER TERMS AND CONDITIONS.—Any other terms and conditions specified by the eligible partnership may include reasonable provisions for prorate repayment of the stipend or salary described in subparagraph (A) or for deferral of a resident's service obligation required by subparagraph (B), on grounds of health, incapacitation, inability to secure employment in a school served by the eligible partnership, being called to active duty in the Armed Forces of the United States, or other extraordinary circumstances.

(iii) USE OF REPAYMENTS.—An eligible partnership shall use any repayment received under this subparagraph to carry out additional activities that are consistent with the purposes of this section.

(f) TEACHER LEADER DEVELOPMENT PROGRAM.—

(1) IN GENERAL.—A teacher leader development program carried out with a grant awarded under this section shall provide for the professional development of teachers, as described in paragraph (2), who maintain their roles as classroom teachers and who also carry out formalized leadership responsibilities to increase the academic achievement of students and promote data-driven instructional practices that address the demonstrated needs at the elementary schools and secondary schools in which the teachers are employed, such as—

(A) development of curriculum and curricular resources;

(B) facilitating the work of committees and teams;

(C) family and community engagement;

(D) school discipline and culture;

(E) peer observations and coaching;

(F) dual enrollment instruction; or

(G) cultural competencies.

(2) PROFESSIONAL DEVELOPMENT.—The professional development of teachers in a teacher leader development program car-

ried out with a grant awarded under this section shall include—

(A) one year of professional development, training, and support that may—

(i) include—

(I) the engagement of teachers in rigorous coursework and fieldwork relevant to their role as a teacher leader, including available teacher leader standards; and

(II) regular observations and professional support from—

(aa) a principal, vice principal, or a designated instructional leader of the school;

(bb) a representative from the institution of higher education that is a partner in the eligible partnership;

(cc) a representative from another entity that is a partner in the eligible partnership; and

(dd) another member of the teacher leader cohort, if applicable, or a peer teacher; and

(ii) result in the awarding of a credential in teacher leadership; and

(B) one or 2 additional years of support from a principal, vice principal, or a designated instructional leader of the school, a representative from the institution of higher education that is a partner in the eligible partnership, and a representative from another entity that is a partner in the eligible partnership.

(3) TEACHER LEADER DEVELOPMENT PROGRAM PLAN.—In carrying out a teacher leader development program under this section, an eligible partnership shall develop a plan that shall describe—

(A) how the work hours of teacher leaders will be allocated between their classroom responsibilities and responsibilities as a teacher leader, which shall include a description of whether the teacher leader will be relieved from teaching duties during their participation in the teacher leader development program;

(B) how the partnership will support teacher leaders after the first year of professional development in the program; and

(C) how teacher leader activities could be sustained by the eligible partnership after the program concludes, which may include a description of opportunities for the teacher leaders to assist in the educator preparation program at the institution of higher education in the partnership.

(4) SELECTION OF TEACHER LEADERS; USE OF FUNDS.—In carrying out a teacher leader development program under this section, an eligible partnership—

(A) shall select a teacher for participation in the program—

(i) who—

(I) is fully certified to teach in the State of the high-need local educational agency that is a partner in the eligible partnership;

(II) is employed by such high-need local educational agency;

(III) has not less than 3 years of teaching experience; and

(IV) submits an application for participation to the eligible partnership; and

(ii) based on selection criteria that includes—

(I) demonstration of strong content knowledge or a record of accomplishment in the field or subject area the teacher will support as a teacher leader; and

(II) demonstration of attributes linked to effective teaching that are determined through interviews, observations, other exhibits, student achievement, or performance assessments, such as those leading to an advanced credential;

(B) may develop admissions goals and priorities for the teacher leader development program that—

(i) are aligned with the demonstrated needs of the school or high-need local educational agency in which the teacher is employed;

(ii) considers cultural competencies that would make the applicant effective in the applicant's teacher leader role; and

(iii) considers whether the teacher has substantial teaching experience in the school in which the teacher is employed or in a school that is similar to the school in which the teacher is employed;

(C) shall use the grant funds to pay for costs of training and supporting teacher leaders for not less than 2 years and not more than 3 years;

(D) may use the grant funds to pay for a portion of a stipend for teacher leaders if such grant funds are matched by additional non-Federal public or private funds as follows:

(i) during each of the first and second years of the grant period, grant funds may pay not more than 50 percent of such stipend; and

(ii) during the third year of the grant period, grant funds may pay not more than 33 percent of such stipend; and

(E) may require teacher leaders to pay back the cost of attaining the credential described in paragraph (2)(A)(ii) if they do not complete their term of service in the teacher leader development program.

(g) PARTNERSHIP GRANTS FOR THE ESTABLISHMENT OF GROW YOUR OWN PROGRAMS.—

(1) IN GENERAL.—An eligible partnership that receives a grant under this section may use such grant to carry out a high-quality "Grow Your Own" program to address subject or geographic areas of teacher or school leader shortages or to increase the diversity of the teacher or school leader workforce.

(2) ELEMENTS OF A GROW YOUR OWN PROGRAM.—A Grow Your Own program carried out under this section shall—

(A) integrate career-focused courses on education topics with school-based learning experience;

(B) provide opportunities for candidates to practice and develop the skills and dispositions that will help them become skilled educators and leaders;

(C) support candidates as they complete their associate, baccalaureate, or master's degree and earn their teaching or school leadership credential; and

(D) offer financial aid, in addition to financial assistance that may be received under title IV, to candidates and work in partnership with members of the eligible partnership to provide academic, counseling, and programmatic supports.

(2) ESTABLISHMENT AND DESIGN.—To create and enhance multiple pathways to enter the educator and leadership workforce, an eligible partnership carrying out a Grow Your Own program under this section, in collaboration with organizations representing educators and leaders and additional stakeholders—

(A) shall—

(i) establish an advisory group to review barriers impacting underrepresented populations entering the teaching and school leadership profession, identify local teacher and leader workforce needs, develop policies on the creation or expansion of Grow Your Own programs, and provide guidance and oversight on the implementation of such programs;

(ii) track and evaluate the effectiveness of the program, including, at a minimum, using the data required under section 204(a)(1);

(iii) require candidates to complete all State requirements to become fully certified;

(iv) provide academic and testing supports, including advising and financial assistance, to candidates for admission and completion of education preparation programs as well as State licensure assessments;

(v) include efforts, to the extent feasible, to recruit current paraprofessionals, as defined under section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801), instructional assistants, district employees not certified to teach or lead (such as long-term substitute teachers), after school and summer program staff, parent school volunteers, retired military personnel, and other career changers with experience in hard to staff areas who are not currently certified to teach or lead with a specific focus on recruiting individuals who are reflective of the race, ethnicity, and native language of the existing community's student population; and

(vi) provide a year-long clinical experience or teaching or school leadership residency in which candidates teach or lead alongside an expert mentor teacher or school leader; and

(B) may include—

(i) a stipend to cover candidate living expenses or childcare costs; and

(ii) compensation for mentors.

[(g)] *(h)* PARTNERSHIP WITH DIGITAL EDUCATION CONTENT DEVELOPER.—An eligible partnership that receives a grant under this section may use grant funds provided to carry out the activities described in subsection (d) or (e), or both, to partner with a television public broadcast station, as defined in section 397(6) of the Communications Act of 1934 (47 U.S.C. 397(6)), or another entity that develops digital educational content, for the purpose of improving the quality of pre-baccalaureate teacher preparation programs or to enhance the quality of preservice training for prospective teachers.

[(h)] *(i)* EVALUATION AND REPORTING.—The Secretary shall—

(1) evaluate the programs assisted under this section; and

(2) make publicly available a report detailing the Secretary's evaluation of each such program.

[(i)] *(j)* CONSULTATION.—

(1) IN GENERAL.—Members of an eligible partnership that receives a grant under this section shall engage in regular consultation throughout the development and implementation of programs and activities carried out under this section.

(2) REGULAR COMMUNICATION.—To ensure timely and meaningful consultation as described in paragraph (1), regular communication shall occur among all members of the eligible partnership, including the high-need local educational agency. Such communication shall continue throughout the implementation of the grant and the assessment of programs and activities under this section.

(3) WRITTEN CONSENT.—The Secretary may approve changes in grant activities of a grant under this section only if the eligible partnership submits to the Secretary a written consent to such changes signed by all members of the eligible partnership.

[(j)] *(k)* CONSTRUCTION.—Nothing in this section shall be construed to prohibit an eligible partnership from using grant funds to coordinate with the activities of eligible partnerships in other States or on a regional basis through Governors, State boards of education, State educational agencies, State agencies responsible for early childhood education, local educational agencies, or State agencies for higher education.

[(k)] *(l)* SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

SEC. 203. ADMINISTRATIVE PROVISIONS.

(a) DURATION; NUMBER OF AWARDS; PAYMENTS.—

(1) DURATION.—A grant awarded under this part shall be awarded for a period of five years.

(2) NUMBER OF AWARDS.—An eligible partnership may not receive more than one grant during a [five-year period.] *five-year period, except such partnership may receive an additional grant during such period if such grant is used to establish a teaching residency program, or a principal or other school leader residency program, if such residency program was not established with the prior grant.* Nothing in this title shall be construed to prohibit an individual member, that can demonstrate need, of an eligible partnership that receives a grant under this title from entering into another eligible partnership con-

sisting of new members and receiving a grant with such other eligible partnership before the five-year period described in the preceding sentence applicable to the eligible partnership with which the individual member has first partnered has expired.

(b) PEER REVIEW.—

(1) PANEL.—The Secretary shall provide the applications submitted under this part to a peer review panel for evaluation. With respect to each application, the peer review panel shall initially recommend the application for funding or for disapproval.

(2) PRIORITY.—The Secretary, in funding applications under this part, shall give priority—

(A) to eligible partnerships that include an institution of higher education whose [teacher preparation program] *teacher education, school leader preparation, or educator development program* has a rigorous selection process to ensure the highest quality of students entering such program *and demonstrated success in having a diverse set of candidates complete the program, and entering and remaining in the profession* [; and]*;*

(B) provide a 1–year preservice clinical or residency experience that includes the integration of coursework and clinical practice and offers cohorts of candidates the opportunity to learn to teach or lead in partner schools or teaching academies; and

[(B)] *(C)*(i) to applications from broad-based eligible partnerships that involve businesses and community organizations; or

(ii) to eligible partnerships so that the awards promote an equitable geographic distribution of grants among rural and urban areas.

(3) SECRETARIAL SELECTION.—The Secretary shall determine, based on the peer review process, which applications shall receive funding and the amounts of the grants. In determining grant amounts, the Secretary shall take into account the total amount of funds available for all grants under this part and the types of activities proposed to be carried out by the eligible partnership.

(c) MATCHING REQUIREMENTS.—

(1) IN GENERAL.—Each eligible partnership receiving a grant under this part shall provide, from non-Federal sources, an amount equal to 100 percent of the amount of the grant, which may be provided in cash or in-kind, to carry out the activities supported by the grant.

(2) WAIVER.—The Secretary may waive all or part of the matching requirement described in paragraph (1) for any fiscal year for an eligible partnership if the Secretary determines that applying the matching requirement to the eligible partnership would result in serious hardship or an inability to carry out the authorized activities described in this part.

(d) LIMITATION ON ADMINISTRATIVE EXPENSES.—An eligible partnership that receives a grant under this part may use not more than two percent of the funds provided to administer the grant.

SEC. 204. ACCOUNTABILITY AND EVALUATION.

[(a) ELIGIBLE PARTNERSHIP EVALUATION.—Each eligible partnership submitting an application for a grant under this part shall establish, and include in such application, an evaluation plan that includes strong and measurable performance objectives. The plan shall include objectives and measures for increasing—

[(1) achievement for all prospective and new teachers, as measured by the eligible partnership;

[(2) teacher retention in the first three years of a teacher's career;

[(3) improvement in the pass rates and scaled scores for initial State certification or licensure of teachers; and

[(4)(A) the percentage of teachers who meet theapplicable State certification and licensure requirements, including any requirements for certification obtained throughalternative routes to certification, or, with regard to specialeducation teachers, the qualifications described in section612(a)(14)(C) of the Individuals with Disabilities Education Act(20 U.S.C. 1412(a)(14)(C)), hired by the high-need local educational agency participating in the eligible partnership;

[(B) the percentage of teachers who meet theapplicable State certification and licensure requirements, including any requirements for certification obtained throughalternative routes to certification, or, with regard to specialeducation ers, the qualifications described in section612(a)(14)(C) of the Individuals with Disabilities Education Act(20 U.S.C. 1412(a)(14)(C)), hired by the high-need local educational agency who are members of underrepresented groups;

[(C) the percentage of teachers who meet theapplicable State certification and licensure requirements, including any requirements for certification obtained throughalternative routes to certification, or, with regard to specialeducation teachers, the qualifications described in section612(a)(14)(C) of the Individuals with Disabilities Education Act(20 U.S.C. 1412(a)(14)(C)), hired by the high-need local educational agency who teach high-need academic subject areas (such as reading, mathematics, science, and foreign language, including less commonly taught languages and critical foreign languages);

[(D) the percentage of teachers who meet theapplicable State certification and licensure requirements, including any requirements for certification obtained throughalternative routes to certification, or, with regard to specialeducation teachers, the qualifications described in section612(a)(14)(C) of the Individuals with Disabilities Education Act(20 U.S.C. 1412(a)(14)(C)), hired by the high-need local educational agency who teach in high-need areas (including special education, language instruction educational programs for limited English proficient students, and early childhood education);

[(E) the percentage of teachers who meet theapplicable State certification and licensure requirements, including any requirements for certification obtained throughalternative routes to certification, or, with regard to specialeducation teachers, the qualifications described in section612(a)(14)(C) of the Individuals with Disabilities Education Act(20 U.S.C. 1412(a)(14)(C)), hired by the high-need local educational agency who teach in

high-need schools, disaggregated by the elementary school and secondary school levels;

[(F) as applicable, the percentage of early childhood education program classes in the geographic area served by the eligible partnership taught by early childhood educators who are highly competent; and

[(G) as applicable, the percentage of teachers trained—

[(i) to integrate technology effectively into curricula and instruction, including technology consistent with the principles of universal design for learning; and

[(ii) to use technology effectively to collect, manage, and analyze data to improve teaching and learning for the purpose of improving student academic achievement.]

(a) ELIGIBLE PARTNERSHIP EVALUATION.—Each eligible partnership submitting an application for a grant under this part shall establish, and include in such application, an evaluation plan that includes rigorous, comprehensive, and measurable performance objectives. The plan shall include objectives and measures for—

(1) achievement for all prospective and new educators as measured by the eligible partnership;

(2) after the completion of the partnership program, educator retention at the end of year 3 and year 5;

(3) pass rates and scaled scores for initial State certification or licensure of teachers or pass rates and average scores on valid and reliable teacher performance assessments; and

(4)(A) the percentage of profession-ready teachers, principals or other school leaders hired by the high-need local educational agency participating in the eligible partnership;

(B) the percentage of profession-ready teachers, principals, and other educators hired by the high-need local educational agency who are members of underrepresented groups;

(C) the percentage of profession-ready teachers hired by the high-need local educational agency who teach high-need academic subject areas, such as reading, science, technology, engineering, mathematics, computer science, and foreign language (including less commonly taught languages and critical foreign languages), or any other well-rounded education subject (as defined in section 8101 of the Elementary and Secondary Act of 1965 (20 U.S.C. 7801));

(D) the percentage of profession-ready teachers hired by the high-need local educational agency who teach in high-need areas, including special education, bilingual education, language instruction educational programs for English language learners, and early childhood education;

(E) the percentage of profession-ready teachers, principals or other school leaders, and other educators hired by the high-need local educational agency who teach in high-need schools, disaggregated by the elementary school and secondary school levels;

(F) as applicable, the percentage of early childhood education program classes in the geographic area served by the eligible partnership taught by early childhood educators who are highly competent as a result of participation in the partnership program;

(G) as applicable, the percentage of educators who have completed the partnership program able to—

(i) integrate technology effectively into curricula and instruction, including technology consistent with the principles of universal design for learning; and

(ii) use technology effectively to collect, manage, and analyze data to improve teaching and learning for the purpose of improving student learning outcomes; and

(H) as applicable, the percentage of educators who have completed the partnership program taking school leadership positions who, after 3 years in the role, receive ratings of effective or above in State school leader evaluation and support systems (as described in section 2014(c)(4)(B)(ii) of the Elementary and Secondary Education Act of 1965) or, if no such ratings are available, other comparable indicators of performance.

(b) INFORMATION.—An eligible partnership receiving a grant under this part shall ensure that teachers, principals, school superintendents, faculty, and leadership at institutions of higher education located in the geographic areas served by the eligible partnership are provided information, including through electronic means, about the activities carried out with funds under this part.

(c) REVISED APPLICATION.—If the Secretary determines that an eligible partnership receiving a grant under this part is not making substantial progress in meeting the purposes, goals, objectives, and measures of the grant, as appropriate, by the end of the third year of a grant under this part, then the Secretary—

(1) shall cancel the grant; and

(2) may use any funds returned or available because of such cancellation under paragraph (1) to—

(A) increase other grant awards under this part; or

(B) award new grants to other eligible partnerships under this part.

(d) EVALUATION AND DISSEMINATION.—The Secretary shall evaluate the activities funded under this part and report the findings regarding the evaluation of such activities to the authorizing committees. The Secretary shall broadly disseminate—

(1) successful practices developed by eligible partnerships under this part; and

(2) information regarding such practices that were found to be ineffective.

SEC. 205. ACCOUNTABILITY FOR PROGRAMS THAT PREPARE TEACHERS.

(a) [INSTITUTIONAL AND PROGRAM REPORT CARDS ON THE QUALITY OF TEACHER PREPARATION] *INSTITUTIONAL AND PROGRAM REPORT CARDS ON THE QUALITY OF TEACHER AND SCHOOL LEADER PREPARATION*.—

[(1) REPORT CARD.—Each institution of higher education that conducts a traditional teacher preparation program or alternative routes to State certification or licensure program and that enrolls students receiving Federal assistance under this Act shall report annually to the State and the general public, in a uniform and comprehensible manner that conforms with the definitions and methods established by the Secretary, the following:

[(A) GOALS AND ASSURANCES.—

[(i) For the most recent year for which the information is available for the institution—

[(I) whether the goals set under section 206 have been met; and

[(II) a description of the activities the institution implemented to achieve such goals.

[(ii) A description of the steps the institution is taking to improve its performance in meeting the annual goals set under section 206.

[(iii) A description of the activities the institution has implemented to meet the assurances provided under section 206.

[(B) PASS RATES AND SCALED SCORES.—For the most recent year for which the information is available for those students who took the assessments used for teacher certification or licensure by the State in which the program is located and are enrolled in the traditional teacher preparation program or alternative routes to State certification or licensure program, and for those who have taken such assessments and have completed the traditional teacher preparation program or alternative routes to State certification or licensure program during the two-year period preceding such year, for each of such assessments—

[(i) the percentage of students who have completed 100 percent of the nonclinical coursework and taken the assessment who pass such assessment;

[(ii) the percentage of all students who passed such assessment;

[(iii) the percentage of students who have taken such assessment who enrolled in and completed the traditional teacher preparation program or alternative routes to State certification or licensure program, as applicable;

[(iv) the average scaled score for all students who took such assessment;

[(v) a comparison of the program's pass rates with the average pass rates for programs in the State; and

[(vi) a comparison of the program's average scaled scores with the average scaled scores for programs in the State.

[(C) PROGRAM INFORMATION.—A description of—

[(i) the criteria for admission into the program;

[(ii) the number of students in the program (disaggregated by race, ethnicity, and gender);

[(iii) the average number of hours of supervised clinical experience required for those in the program;

[(iv) the number of full-time equivalent faculty and students in the supervised clinical experience; and

[(v) the total number of students who have been certified or licensed as teachers, disaggregated by subject and area of certification or licensure.

[(D) STATEMENT.—In States that require approval or accreditation of teacher preparation programs, a statement of whether the institution's program is so approved or accredited, and by whom.

[(E) DESIGNATION AS LOW-PERFORMING.—Whether the program has been designated as low-performing by the State under section 207(a).

[(F) USE OF TECHNOLOGY.—A description of the activities, including activities consistent with the principles of universal design for learning, that prepare teachers to integrate technology effectively into curricula and instruction, and to use technology effectively to collect, manage, and analyze data in order to improve teaching and learning for the purpose of increasing student academic achievement.

[(G) TEACHER TRAINING.—A description of the activities that prepare general education and special education teachers to teach students with disabilities effectively, including training related to participation as a member of individualized education program teams, as defined in section 614(d)(1)(B) of the Individuals with Disabilities Education Act, and to effectively teach students who are limited English proficient.]

(1) REPORT CARD.—Each teacher preparation or school leader preparation entity approved to operate teacher preparation or school leader preparation programs in the State and that receives or enrolls students receiving Federal assistance shall report annually to the State and the general public, in a uniform and comprehensive manner that conforms with the definitions and methods established by the Secretary, the following:

(A) PASS RATES AND SCALED SCORES.—For the most recent year for which the information is available for each teacher or school leader preparation program offered by the teacher preparation or school leader preparation entity the following:

(i) Except as provided in clause (ii), for those students who took the assessments used for teacher or school leader certification or licensure by the State in which the entity is located and are enrolled in the teacher or school leader preparation program, and for those who have taken such assessments and have completed the teacher or school preparation program during the 2-year period preceding such year, for each of such assessments—

(I) the percentages of students enrolled in the preparation program, and those who have completed such program, who passed such assessment;

(II) the percentage of students who have taken such assessment who enrolled in and completed the teacher or school leader preparation program; and

(III) the average scaled score for all students who took such assessment.

(ii) In the case of an entity that requires a valid and reliable teacher performance assessment in order to complete the preparation program, the entity may submit in lieu of the information described in clause (i) the pass rate and average score of students taking the teacher performance assessment.

(B) ENTITY INFORMATION.—A description of the following:

(i) The median grade point average and range of grade point averages for admitted students.

(ii) The number of students in the entity, disaggregated by race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the result would reveal personally identifiable information about an individual student.

(iii) The number of hours and types of supervised clinical preparation required for each program.

(iv) The total number and percentage of students who have completed programs for certification or licensure disaggregated by subject area and by race, ethnicity, gender, income status, and language diversity (graduates who have bilingual or dual language immersion endorsements), except that such disaggregation shall not be required in a case in which the result would reveal personally identifiable information about an individual student.

(v) The percentage and total number of program completers who have been certified or licensed as teachers or school leaders (disaggregated by subject area of certification or licensure and by race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student).

(vi) The 3- and 5-year teacher or school leader retention rates, including, at a minimum, in the same school and local educational agency, and within the profession (disaggregated by race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student).

(C) ACCREDITATION.—Whether the program or entity is accredited by a specialized accrediting agency recognized by the Secretary for accreditation of professional teacher or school leader education programs.

(D) DESIGNATION AS LOW-PERFORMING.—Which programs (if any) offered by the entity have been designated as low-performing by the State under section 207(a).

(2) REPORT.—Each eligible partnership receiving a grant under section 202 shall report annually on the progress of the eligible partnership toward meeting the purposes of this part and the objectives and measures described in section 204(a).

(3) FINES.—The Secretary may impose a fine not to exceed $27,500 on an institution of higher education for failure to provide the information described in this subsection in a timely or accurate manner.

(4) SPECIAL RULE.—In the case of an institution of higher education that conducts a traditional teacher preparation program or alternative routes to State certification or licensure

program and has fewer than 10 scores reported on any single initial teacher certification or licensure assessment during an academic year, the institution shall collect and publish information, as required under paragraph (1)(B), with respect to an average pass rate and scaled score on each State certification or licensure assessment taken over a three-year period.

(b) STATE REPORT CARD ON THE QUALITY OF TEACHER PREPARATION.—

(1) IN GENERAL.—Each State that receives funds under this Act shall provide to the Secretary, and make widely available to the general public, in a uniform and comprehensible manner that conforms with the definitions and methods established by the Secretary, an annual State report card on the quality of teacher preparation in the State, both for traditional teacher preparation programs and for alternative routes to State certification or licensure programs, which shall include not less than the following:

(A) A description of the reliability and validity of the teacher *and school leader* certification and licensure assessments, and any other certification and licensure requirements, used by the State*, including teacher performance assessments*.

(B) The standards and criteria that prospective teachers must meet to attain initial teacher certification or licensure and to be certified or licensed to teach particular academic subjects, areas, or grades within the State.

(C) A description of how the assessments and requirements described in subparagraph (A) are aligned with the challenging State academic standards required under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 and, as applicable, State early learning standards for early childhood education programs.

[(D) For each of the assessments used by the State for teacher certification or licensure—

[(i) for each institution of higher education located in the State and each entity located in the State, including those that offer an alternative route for teacher certification or licensure, the percentage of students at such institution or entity who have completed 100 percent of the nonclinical coursework and taken the assessment who pass such assessment;

[(ii) the percentage of all such students at all such institutions and entities who have taken the assessment who pass such assessment;

[(iii) the percentage of students who have taken the assessment who enrolled in and completed a teacher preparation program; and

[(iv) the average scaled score of individuals participating in such a program, or who have completed such a program during the two-year period preceding the first year for which the annual State report card is provided, who took each such assessment.**]**

(D)(i) Except as provided in clause (ii), for each of the assessments used by the State for teacher or school leader certification or licensure, disaggregated by subject area, race,

ethnicity, and gender, except that such disaggregation shall not be required in a case in which the result would reveal personally identifiable information about an individual student—

(I) for each entity located in the State, the percentage of students at each entity who have completed 100 percent of the nonclinical coursework and taken the assessment who pass such assessment;

(II) the percentage of all such students in all such programs and entities who have taken the assessment who pass such assessment;

(III) the percentage of students who have taken the assessment and who enrolled in and completed a teacher or school leader preparation program; and

(IV) the average scaled score of individuals participating in such a program, or who have completed such a program during the 2-year period preceding the first year for which the annual State report card is provided, who took each such assessment.

(ii) In the case of a State that has implemented a valid and reliable teacher performance assessment, the State may submit in lieu of the information described in clause (i) the pass rate and average score of students taking the teacher performance assessment, disaggregated by subject area, race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the result would reveal personally identifiable information about an individual student.

(E) A description of alternative routes to teacher certification or licensure in the State (including any such routes operated by entities that are not institutions of higher education), if any, including, for each of the assessments used by the State for teacher certification or licensure—

(i) the percentage of individuals participating in such routes, or who have completed such routes during the two-year period preceding the date for which the determination is made, who passed each such assessment; and

(ii) the average scaled score of individuals participating in such routes, or who have completed such routes during the two-year period preceding the first year for which the annual State report card is provided, who took each such assessment.

(F) A description of the State's criteria for assessing the performance of teacher preparation programs within institutions of higher education in the State. Such criteria shall include indicators of the academic content knowledge and teaching skills of students enrolled in such programs.

[(G) For each teacher preparation program in the State—

[(i) the criteria for admission into the program;

[(ii) the number of students in the program, disaggregated by race, ethnicity, and gender (except that such disaggregation shall not be required in a case in which the number of students in a category is

insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student);

[(iii) the average number of hours of supervised clinical experience required for those in the program; and

[(iv) the number of full-time equivalent faculty, adjunct faculty, and students in supervised clinical experience.

[(H) For the State as a whole, and for each teacher preparation program in the State, the number of teachers prepared, in the aggregate and reported separately by—

[(i) area of certification or licensure;

[(ii) academic major; and

[(iii) subject area for which the teacher has been prepared to teach.

[(I) A description of the extent to which teacher preparation programs are addressing shortages of teachers who meet the applicable Statecertification and licensure requirements, including any requirementsfor certification obtained through alternative routes tocertification, or, with regard to special education teachers, thequalifications described in section 612(a)(14)(C) of the Individualswith Disabilities Education Act, by area of certification or licensure, subject, and specialty, in the State's public schools.

[(J) The extent to which teacher preparation programs prepare teachers, including general education and special education teachers, to teach students with disabilities effectively, including training related to participation as a member of individualized education program teams, as defined in section 614(d)(1)(B) of the Individuals with Disabilities Education Act.

[(K) A description of the activities that prepare teachers to—

[(i) integrate technology effectively into curricula and instruction, including activities consistent with the principles of universal design for learning; and

[(ii) use technology effectively to collect, manage, and analyze data to improve teaching and learning for the purpose of increasing student academic achievement.

[(L) The extent to which teacher preparation programs prepare teachers, including general education and special education teachers, to effectively teach students who are limited English proficient.]

(G) For each teacher and school leader preparation program in the State the following:

(i) The programs' admission rate, median grade point average, and range of grade point averages for admitted students.

(ii) The number of students in the program disaggregated by race, ethnicity, and gender, except that such disaggregation shall not be required in a case in which the result would reveal personally identifiable information about an individual student.

(iii) The number of hours and types of supervised clinical preparation required.

(iv) Whether such program has been identified as low-performing, as designated by the State under section 207(a).

(v) For each school leader preparation program in the State, the total number and percentage of program completers placed as principals who are rated as effective or above on the State school leader evaluation and support systems (as described in section 2101(c)(4)(B)(2) of the Elementary and Secondary Education Act of 1965) or, if no such ratings are available, other comparable indicators of performance after three years of leading a school.

(H) For the State as a whole, and for each teacher preparation entity in the State, the number of teachers prepared, in the aggregate and reported separately by the following:

(i) Area of certification or licensure.

(ii) Route of certification (traditional versus alternative).

(iii) Academic major.

(iv) Degree type (baccalaureate, post-baccalaureate, and master's degrees).

(v) Subject area for which the teacher has been prepared to teach.

(vi) The relationship of the subject area and grade span of teachers graduated by the teacher preparation entity to identified teacher shortage areas of the State.

(vii) The percentage of teachers graduated teaching in high-need schools.

(viii) Placement in a teaching or school leadership position within 6 months of program completion.

(ix) Rates of 3- and 5-year teacher or school leadership retention including, at a minimum, in the same school and local educational agency, and within the profession.

(2) PROHIBITION AGAINST CREATING A NATIONAL LIST.—The Secretary shall not create a national list or ranking of States, institutions, or schools using the scaled scores provided under this subsection.

(3) NO REQUIREMENT FOR REPORTING ON STUDENTS NOT WORKING IN THE STATE.—Nothing in this section shall require a State to report data on program completers who do not work as teachers, principals, or school leaders in such State.

(c) DATA QUALITY.—The Secretary shall prescribe regulations to ensure the reliability, validity, integrity, and accuracy of the data submitted pursuant to this section.

(d) REPORT OF THE SECRETARY ON THE QUALITY OF TEACHER PREPARATION.—

(1) REPORT CARD.—The Secretary shall annually provide to the authorizing committees, and publish and make widely available, a report card on teacher qualifications and preparation in the United States, including all the information reported in subparagraphs (A) through (L) of subsection (b)(1).

Such report shall identify States for which eligible partnerships received a grant under this part.

(2) REPORT TO CONGRESS.—The Secretary shall prepare and submit a report to the authorizing committees that contains the following:

(A) A comparison of States' efforts to improve the quality of the current and future teaching force.

(B) A comparison of eligible partnerships' efforts to improve the quality of the current and future teaching force.

(C) The national mean and median scaled scores and pass rate on any standardized test that is used in more than one State for teacher certification or licensure.

(D) The relationship of the subject area and grade span of teachers graduated by teacher preparation entities across the States to identified teacher shortage areas.

(E) The number and percentages of such graduates teaching in high-need schools.

(3) SPECIAL RULE.—In the case of a teacher preparation program with fewer than ten scores reported on any single initial teacher certification or licensure assessment during an academic year, the Secretary shall collect and publish, and make publicly available, information with respect to an average pass rate and scaled score on each State certification or licensure assessment taken over a three-year period.

(e) COORDINATION.—The Secretary, to the extent practicable, shall coordinate the information collected and published under this part among States for individuals who took State teacher certification or licensure assessments in a State other than the State in which the individual received the individual's most recent degree.

SEC. 206. TEACHER DEVELOPMENT.

(a) ANNUAL GOALS.—Each institution of higher education that conducts a traditional teacher preparation program (including programs that offer any ongoing professional development programs) or alternative routes to State certification or licensure program, and that enrolls students receiving Federal assistance under this Act, shall set annual quantifiable goals for increasing the number of prospective teachers trained in teacher shortage areas designated by the Secretary or by the State educational agency, including mathematics, science, special education, and instruction of ⟦limited English proficient⟧ *English learner* students.

(b) ASSURANCES.—Each institution described in subsection (a)shall provide assurances to the Secretary that—

(1) training provided to prospective teachers responds to the identified needs of the local educational agencies or States where the institution's graduates are likely to teach, based on past hiring and recruitment trends;

(2) training provided to prospective teachers is closely linked with the needs of schools and the instructional decisions new teachers face in the classroom;

(3) prospective special education teachers receive course work in core academic subjects and receive training in providing instruction in core academic subjects;

(4) general education teachers receive training in providing instruction to diverse populations, including children with dis-

abilities, [limited English proficient] *English learner* students, and children from low-income families; and

(5) prospective teachers receive training on how to effectively teach in urban and rural schools, as applicable.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require an institution to create a new teacher preparation area of concentration or degree program or adopt a specific curriculum in complying with this section.

[SEC. 207. STATE FUNCTIONS.

[(a) STATE ASSESSMENT.—In order to receive funds under this Act, a State shall conduct an assessment to identify low-performing teacher preparation programs in the State and to assist such programs through the provision of technical assistance. Each such State shall provide the Secretary with an annual list of low-performing teacher preparation programs and an identification of those programs at risk of being placed on such list, as applicable. Such assessment shall be described in the report under section 205(b). Levels of performance shall be determined solely by the State and may include criteria based on information collected pursuant to this part, including progress in meeting the goals of—

[(1) increasing the percentage of teachers who meet the applicable Statecertification and licensure requirements, including any requirementsfor certification obtained through alternative routes tocertification, or, with regard to special education teachers, thequalifications described in section 612(a)(14)(C) of the Individualswith Disabilities Education Act, in the State, including increasing professional development opportunities;

[(2) improving student academic achievement for elementary and secondary students; and

[(3) raising the standards for entry into the teaching profession.

[(b) TERMINATION OF ELIGIBILITY.—Any teacher preparation program from which the State has withdrawn the State's approval, or terminated the State's financial support, due to the low performance of the program based upon the State assessment described in subsection (a)—

[(1) shall be ineligible for any funding for professional development activities awarded by the Department;

[(2) may not be permitted to accept or enroll any student who receives aid under title IV in the institution's teacher preparation program;

[(3) shall provide transitional support, including remedial services if necessary, for students enrolled at the institution at the time of termination of financial support or withdrawal of approval; and

[(4) shall be reinstated upon demonstration of improved performance, as determined by the State.

[(c) NEGOTIATED RULEMAKING.—If the Secretary develops any regulations implementing subsection (b)(2), the Secretary shall submit such proposed regulations to a negotiated rulemaking process, which shall include representatives of States, institutions of higher education, and educational and student organizations.

[(d) APPLICATION OF THE REQUIREMENTS.—The requirements of this section shall apply to both traditional teacher preparation pro-

grams and alternative routes to State certification and licensure programs.]

SEC. 207. STATE FUNCTIONS.

(a) STATE ASSESSMENT.—

(1) IN GENERAL.—In order to receive funds under this Act or under title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq.), a State shall conduct an assessment to identify at-risk and low-performing teacher and school leader preparation programs in the State and to assist such programs through the provision of technical assistance.

(2) PROVISION OF LOW-PERFORMING LIST.—Each State described in paragraph (1) shall—

(A) provide the Secretary and the general public an annual list of low-performing teacher and school leader preparation programs and an identification of those programs at risk of being placed on such list, as applicable;

(B) report any teacher and school leader preparation program that has been closed and the reasons for such closure; and

(C) describe the assessment, described in paragraph (1), in the report under section 205(b).

(3) DETERMINATION OF AT-RISK AND LOW-PERFORMING PROGRAMS.—The levels of performance and the criteria for meeting those levels for purposes of the assessment under paragraph (1) shall be determined by the State in consultation with a representative group of community stakeholders, including, at a minimum, representatives of leaders and faculty of traditional and alternative route teacher and school leader preparation programs, prekindergarten through 12th grade leaders and instructional staff, current teacher and school leader candidates participating in traditional and alternative route teacher or school leader preparation programs, the State's standards board or other appropriate standards body, and other stakeholders identified by the State. In making such determination, the State shall consider multiple measures and the information reported by teacher preparation entities under section 205.

(b) REPORTING AND IMPROVEMENT.—In order to receive funds under this Act or under title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6601 et seq.), a State shall—

(1) report to the Secretary and the general public any programs described in subsection (a);

(2) establish a period of improvement and redesign (as established by the State) for programs identified as at-risk under subsection (a);

(3) provide programs identified as at-risk under subsection (a) with technical assistance for a period of not longer than 3 years;

(4) identify at-risk programs as low-performing if there is not sufficient improvement following the period of technical assistance provided by the State; and

(5) subject low-performing programs to the provisions described in subsection (c) (as determined by the State) not later than 1 year after the date of such identification as a low-performing program.

(c) TERMINATION OF ELIGIBILITY.—Any teacher or school leader preparation program that is projected to close—

(1) shall be ineligible for any funding for professional development activities awarded by the Department;

(2) may not be permitted to provide new awards under subpart 9 of part A of title IV; and

(3) shall provide transitional support, including remedial services if necessary, for students enrolled in the program in the year prior to such closure.

(d) NEGOTIATED RULEMAKING.—If the Secretary develops any regulations implementing subsection (c)(2), the Secretary shall submit such proposed regulations to a negotiated rulemaking process, which shall include representatives of States, institutions of higher education, and educational and student organizations.

(e) APPLICATION OF REQUIREMENTS.—The requirements of this section shall apply to both traditional teacher preparation programs and alternative routes to State certification and licensure programs.

SEC. 208. GENERAL PROVISIONS.

(a) METHODS.—In complying with ⟦sections 205 and 206⟧ *section 205*, the Secretary shall ensure that States and institutions of higher education use fair and equitable methods in reporting and that the reporting methods do not reveal personally identifiable information.

(b) SPECIAL RULE.—For each State that does not use content assessments as a means of ensuring that all teachers teaching in core academic subjects within the State meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, in accordance with the State plan submitted or revised under section 1111 of such Act, and that each person employed as a special education teacher in the State who teaches elementary school or secondary school meets the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act, the Secretary shall—

(1) to the extent practicable, collect data comparable to the data required under this part from States, local educational agencies, institutions of higher education, or other entities that administer such assessments to teachers or prospective teachers; and

(2) notwithstanding any other provision of this part, use such data to carry out requirements of this part related to assessments, pass rates, and scaled scores.

(c) RELEASE OF INFORMATION TO TEACHER PREPARATION PROGRAMS.—

(1) IN GENERAL.—For the purpose of improving teacher preparation programs, a State that receives funds under this Act, or that participates as a member of a partnership, consortium, or other entity that receives such funds, shall provide to a teacher preparation program, upon the request of the teacher preparation program, any and all pertinent education-related information that—

(A) may enable the teacher preparation program to evaluate the effectiveness of the program's graduates or the program itself; and

(B) is possessed, controlled, or accessible by the State.

(2) CONTENT OF INFORMATION.—The information described in paragraph (1)—

(A) shall include an identification of specific individuals who graduated from the teacher preparation program to enable the teacher preparation program to evaluate the information provided to the program from the State with the program's own data about the specific courses taken by, and field experiences of, the individual graduates; and

(B) may include—

(i) kindergarten through grade 12 academic achievement and demographic data, without revealing personally identifiable information about an individual student, for students who have been taught by graduates of the teacher preparation program; and

(ii) teacher effectiveness evaluations for teachers who graduated from the teacher preparation program.

SEC. 209. ELEVATION OF THE EDUCATION PROFESSION STUDY.

(a) PURPOSE.—The purpose of this section is to authorize a feasibility study on the elevation of the education profession by examining State policies related to teacher and school leader education and certification, produce a comprehensive set of expectations that sets a high bar for entry into the profession and ensures that all entering teachers and school leaders are profession-ready, and develop recommendations to Congress on best practices with respect to elevating the education profession that are evidence-based, reliable, and verified by the field.

(b) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Education shall establish an Advisory Committee to carry out the elevation of the education profession study described in subsection (c) and make recommendations to Congress on the findings.

(2) MEMBERSHIP OF THE ADVISORY COMMITTEE.—The Advisory Committee shall include representatives or advocates from the following categories:

(A) Teacher unions.

(B) School leader organizations.

(C) State and local chief executives or their representatives.

(D) State educational agencies and local educational agencies.

(E) Teacher and school leader advocacy organizations.

(F) School administrator organizations.

(G) Institutions of higher education, including colleges of teacher education.

(H) Civil rights organizations.

(I) Organizations representing students with disabilities.

(J) Organizations representing English learners.

(K) Nonprofit organizations representing subject-fields, such as STEM Educator organizations, comprehensive literacy Educator organizations, and arts and humanities educator organizations.

(L) Professional development organizations.

(M) Educational technology organizations.

(N) Nonprofit research organizations.

(O) Organizations representing nontraditional pathways into teacher and school leader education.

(P) Organizations representing parents.

(c) DUTIES OF THE ADVISORY COMMITTEE.—

(1) FEASIBILITY STUDY The Advisory Committee shall conduct a feasibility study to—

(A) assess the state of policies and practices related to teacher and school leader education and entry into the profession including barriers to achieving certification and licensure, best practices in producing profession-ready teachers and school leaders, and recruitment and retention of teachers and school leaders in schools;

(B) compile best practices for educating and training profession-ready teachers and school leaders including evidence-based practices for training teachers and school leaders to support diverse learners, developing teacher and school leaders, and successful pre-service and in-service educational activities;

(C) review certification and credentialing practices throughout the Nation including minimum standards in each State, differences in types of credentials, and impact of different certification processes in each State for teachers and school leaders who relocate; and

(D) recommend a comprehensive set of rigorous expectations for States standards to elevate the profession of teaching and to produce profession-ready teachers and school leaders prepared to educate diverse learners in inclusive educational settings.

(2) REPORTS.—

(A) Not later than 1 year after the Advisory Committee's first meeting, the Committee shall submit an interim report to the Secretary and to the authorizing committees detailing the methods of the study and progress in developing the set of comprehensive and rigorous expectations.

(B) Not later than 3 years after the Advisory Committee's first meeting, the Committee shall submit a final report to the Secretary and to the authorizing committees detailing the findings, recommendations, and suggested set of comprehensive and rigorous expectations.

(3) DISSEMINATION OF INFORMATION.—In carrying out the study under paragraph (1), the Secretary shall, after the release of the study, disseminate information found in the study in an accessible format to all stakeholders.

(4) DATABASE.—Not later than 180 days after the date of the enactment of this subsection, the Secretary shall produce an electronically accessible clearinghouse of State certification procedures and best State practices for producing and retaining profession-ready teachers and school leaders.

SEC. [209.] *210.* AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part [$300,000,000] *$500,000,000* for fiscal year [2009] *2019* and such sums as may be necessary for each of the [two succeeding] *5 succeeding* fiscal years.

[PART B—ENHANCING TEACHER EDUCATION

[SEC. 230. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

[Subpart 1—Preparing Teachers for Digital Age Learners

[SEC. 231. PROGRAM AUTHORIZED.

[(a) PROGRAM AUTHORITY.—The Secretary is authorized to award grants to, or enter into contracts or cooperative agreements with, eligible consortia to pay the Federal share of the costs of projects to—

[(1) assist in the graduation of teacher candidates who are prepared to use modern information, communication, and learning tools to—

[(A) improve student learning, assessment, and learning management; and

[(B) help students develop learning skills to succeed in higher education and to enter the workforce;

[(2) strengthen and develop partnerships among the stakeholders in teacher preparation to transform teacher education and ensure technology-rich teaching and learning environments throughout a teacher candidate's preservice education, including clinical experiences; and

[(3) assess the effectiveness of departments, schools, and colleges of education at institutions of higher education in preparing teacher candidates for successful implementation of technology-rich teaching and learning environments, including environments consistent with the principles of universal design for learning, that enable kindergarten through grade 12 students to develop learning skills to succeed in higher education and to enter the workforce.

[(b) AMOUNT AND DURATION.—A grant, contract, or cooperative agreement under this subpart—

[(1) shall be for not more than $2,000,000;

[(2) shall be for a three-year period; and

[(3) may be renewed for one additional year.

[(c) NON-FEDERAL SHARE REQUIREMENT.—The Federal share of the cost of any project funded under this subpart shall not exceed 75 percent. The non-Federal share of the cost of such project may be provided in cash or in kind, fairly evaluated, including services.

[(d) DEFINITION OF ELIGIBLE CONSORTIUM.—In this subpart, the term "eligible consortium" means a consortium of members that includes the following:

[(1) Not less than one institution of higher education that awards baccalaureate or masters degrees and prepares teachers for initial entry into teaching.

[(2) Not less than one State educational agency or local educational agency.

[(3) A department, school, or college of education at an institution of higher education.

[(4) A department, school, or college of arts and sciences at an institution of higher education.

[(5) Not less than one entity with the capacity to contribute to the technology-related reform of teacher preparation programs, which may be a professional association, foundation, museum, library, for-profit business, public or private nonprofit organization, community-based organization, or other entity.

[SEC. 232. USES OF FUNDS.

[(a) IN GENERAL.—An eligible consortium that receives a grant or enters into a contract or cooperative agreement under this subpart shall use funds made available under this subpart to carry out a project that—

[(1) develops long-term partnerships among members of the consortium that are focused on effective teaching with modern digital tools and content that substantially connect preservice preparation of teacher candidates with high-need schools; or

[(2) transforms the way departments, schools, and colleges of education teach classroom technology integration, including the principles of universal design, to teacher candidates.

[(b) USES OF FUNDS FOR PARTNERSHIP GRANTS.—In carrying out a project under subsection (a)(1), an eligible consortium shall—

[(1) provide teacher candidates, early in their preparation, with field experiences with technology in educational settings;

[(2) build the skills of teacher candidates to support technology-rich instruction, assessment and learning management in content areas, technology literacy, an understanding of the principles of universal design, and the development of other skills for entering the workforce;

[(3) provide professional development in the use of technology for teachers, administrators, and content specialists who participate in field placement;

[(4) provide professional development of technology pedagogical skills for faculty of departments, schools, and colleges of education and arts and sciences;

[(5) implement strategies for the mentoring of teacher candidates by members of the consortium with respect to technology implementation;

[(6) evaluate teacher candidates during the first years of teaching to fully assess outcomes of the project;

[(7) build collaborative learning communities for technology integration within the consortium to sustain meaningful applications of technology in the classroom during teacher preparation and early career practice; and

[(8) evaluate the effectiveness of the project.

[(c) USES OF FUNDS FOR TRANSFORMATION GRANTS.—In carrying out a project under subsection (a)(2), an eligible consortium shall—

[(1) redesign curriculum to require collaboration between the department, school, or college of education faculty and the department, school, or college of arts and sciences faculty who teach content or methods courses for training teacher candidates;

[(2) collaborate between the department, school, or college of education faculty and the department, school, or college of arts and science faculty and academic content specialists at the local educational agency to educate preservice teachers who

can integrate technology and pedagogical skills in content areas;

[(3) collaborate between the department, school, or college of education faculty and the department, school, or college of arts and sciences faculty who teach courses to preservice teachers to—

[(A) develop and implement a plan for preservice teachers and continuing educators that demonstrates effective instructional strategies and application of such strategies in the use of digital tools to transform the teaching and learning process; and

[(B) better reach underrepresented preservice teacher populations with programs that connect such preservice teacher populations with applications of technology;

[(4) collaborate among faculty and students to create and disseminate case studies of technology applications in classroom settings with a goal of improving student academic achievement in high-need schools;

[(5) provide additional technology resources for preservice teachers to plan and implement technology applications in classroom settings that provide evidence of student learning; and

[(6) bring together expertise from departments, schools, or colleges of education, arts and science faculty, and academic content specialists at the local educational agency to share and disseminate technology applications in the classroom through teacher preparation and into early career practice.

[SEC. 233. APPLICATION REQUIREMENTS.

[To be eligible to receive a grant or enter into a contract or cooperative agreement under this subpart, an eligible consortium shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application shall include the following:

[(1) A description of the project to be carried out with the grant, including how the project will—

[(A) develop a long-term partnership focused on effective teaching with modern digital tools and content that substantially connects preservice preparation of teacher candidates with high-need schools; or

[(B) transform the way departments, schools, and colleges of education teach classroom technology integration, including the principles of universal design, to teacher candidates.

[(2) A demonstration of—

[(A) the commitment, including the financial commitment, of each of the members of the consortium for the proposed project; and

[(B) the support of the leadership of each organization that is a member of the consortium for the proposed project.

[(3) A description of how each member of the consortium will participate in the project.

[(4) A description of how the State educational agency or local educational agency will incorporate the project into the agency's technology plan, if such a plan already exists.

[(5) A description of how the project will be continued after Federal funds are no longer available under this subpart for the project.

[(6) A description of how the project will incorporate—

[(A) State teacher technology standards; and

[(B) State student technology standards.

[(7) A plan for the evaluation of the project, which shall include benchmarks to monitor progress toward specific project objectives.

[SEC. 234. EVALUATION.

[Not less than ten percent of the funds awarded to an eligible consortium to carry out a project under this subpart shall be used to evaluate the effectiveness of such project.

[Subpart 2—Honorable Augustus F. Hawkins Centers of Excellence

[SEC. 241. DEFINITIONS.

[In this subpart:

[(1) ELIGIBLE INSTITUTION.—The term "eligible institution" means—

[(A) an institution of higher education that has a teacher preparation program that is a qualified teacher preparation program and that is—

[(i) a part B institution (as defined in section 322);

[(ii) a Hispanic-serving institution (as defined in section 502);

[(iii) a Tribal College or University (as defined in section 316);

[(iv) an Alaska Native-serving institution (as defined in section 317(b));

[(v) a Native Hawaiian-serving institution (as defined in section 317(b));

[(vi) a Predominantly Black Institution (as defined in section 318);

[(vii) an Asian American and Native American Pacific Islander-serving institution (as defined in section 320(b)); or

[(viii) a Native American-serving, nontribal institution (as defined in section 319);

[(B) a consortium of institutions described in subparagraph (A); or

[(C) an institution described in subparagraph (A), or a consortium described in subparagraph (B), in partnership with any other institution of higher education, but only if the center of excellence established under section 242 is located at an institution described in subparagraph (A).

[(2) SCIENTIFICALLY BASED READING RESEARCH.—The term "scientifically based reading research"—

[(A) means research that applies rigorous, systemic, and objective procedures to obtain valid knowledge relevant to reading development, reading instruction, and reading difficulties; and

[(B) includes research that—

[(i) employs systemic, empirical methods that draw on observation or experiment;

[(ii) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

[(iii) relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and

[(iv) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.

[SEC. 242. AUGUSTUS F. HAWKINS CENTERS OF EXCELLENCE.

[(a) PROGRAM AUTHORIZED.—From the amounts appropriated to carry out this part, the Secretary is authorized to award competitive grants to eligible institutions to establish centers of excellence.

[(b) USE OF FUNDS.—Grants provided by the Secretary under this subpart shall be used to ensure that current and future teachers meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act, by carrying out one or more of the following activities:

[(1) Implementing reforms within teacher preparation programs to ensure that such programs are preparing teachers who meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act, are able to understand scientifically valid research, and are able to use advanced technology effectively in the classroom, including use of instructional techniques to improve student academic achievement, by—

[(A) retraining or recruiting faculty; and

[(B) designing (or redesigning) teacher preparation programs that—

[(i) prepare teachers to serve in low-performing schools and close student achievement gaps, and that are based on rigorous academic content, scientifically valid research (including scientifically based reading research and mathematics research, as it becomes available), and challenging State academic content standards and student academic achievement standards; and

[(ii) promote strong teaching skills.

[(2) Providing sustained and high-quality preservice clinical experience, including the mentoring of prospective teachers by exemplary teachers, substantially increasing interaction between faculty at institutions of higher education and new and experienced teachers, principals, and other administrators at elementary schools or secondary schools, and providing support, including preparation time, for such interaction.

[(3) Developing and implementing initiatives to promote retention of teachers who meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act, and highly qualified principals, including minority teachers and principals, including programs that provide—

[(A) teacher or principal mentoring from exemplary teachers or principals, respectively; or

[(B) induction and support for teachers and principals during their first three years of employment as teachers or principals, respectively.

[(4) Awarding scholarships based on financial need to help students pay the costs of tuition, room, board, and other expenses of completing a teacher preparation program, not to exceed the cost of attendance.

[(5) Disseminating information on effective practices for teacher preparation and successful teacher certification and licensure assessment preparation strategies.

[(6) Activities authorized under section 202.

[(c) APPLICATION.—Any eligible institution desiring a grant under this subpart shall submit an application to the Secretary at such a time, in such a manner, and accompanied by such information as the Secretary may require.

[(d) MINIMUM GRANT AMOUNT.—The minimum amount of each grant under this subpart shall be $500,000.

[(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—An eligible institution that receives a grant under this subpart may use not more than two percent of the funds provided to administer the grant.

[(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this subpart.

[Subpart 3—Preparing General Education Teachers to More Effectively Educate Students with Disabilities

[SEC. 251. TEACH TO REACH GRANTS.

[(a) AUTHORIZATION OF PROGRAM.—

[(1) IN GENERAL.—The Secretary is authorized to award grants, on a competitive basis, to eligible partnerships to improve the preparation of general education teacher candidates to ensure that such teacher candidates possess the knowledge and skills necessary to effectively instruct students with disabilities in general education classrooms.

[(2) DURATION OF GRANTS.—A grant under this section shall be awarded for a period of not more than five years.

[(3) NON-FEDERAL SHARE.—An eligible partnership that receives a grant under this section shall provide not less than 25 percent of the cost of the activities carried out with such grant from non-Federal sources, which may be provided in cash or in kind.

[(b) DEFINITION OF ELIGIBLE PARTNERSHIP.—In this section, the term "eligible partnership" means a partnership that—

[(1) shall include—

[(A) one or more departments or programs at an institution of higher education—

[(i) that prepare elementary or secondary general education teachers;

[(ii) that have a program of study that leads to an undergraduate degree, a master's degree, or completion of a postbaccalaureate program required for teacher certification; and

[(iii) the graduates of which meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act;

[(B) a department or program of special education at an institution of higher education;

[(C) a department or program at an institution of higher education that provides degrees in core academic subjects; and

[(D) a high-need local educational agency; and

[(2) may include a department or program of mathematics, earth or physical science, foreign language, or another department at the institution that has a role in preparing teachers.

[(c) ACTIVITIES.—An eligible partnership that receives a grant under this section—

[(1) shall use the grant funds to—

[(A) develop or strengthen an undergraduate, postbaccalaureate, or master's teacher preparation program by integrating special education strategies into the general education curriculum and academic content;

[(B) provide teacher candidates participating in the program under subparagraph (A) with skills related to—

[(i) response to intervention, positive behavioral interventions and supports, differentiated instruction, and data driven instruction;

[(ii) universal design for learning;

[(iii) determining and utilizing accommodations for instruction and assessments;

[(iv) collaborating with special educators, related services providers, and parents, including participation in individualized education program development and implementation; and

[(v) appropriately utilizing technology and assistive technology for students with disabilities; and

[(C) provide extensive clinical experience for participants described in subparagraph (B) with mentoring and induction support throughout the program that continues during the first two years of full-time teaching; and

[(2) may use grant funds to develop and administer alternate assessments of students with disabilities.

[(d) APPLICATION.—An eligible partnership seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

[(1) a self-assessment by the eligible partnership of the existing teacher preparation program at the institution of higher education and needs related to preparing general education teacher candidates to instruct students with disabilities; and

[(2) an assessment of the existing personnel needs for general education teachers who instruct students with disabilities, performed by the local educational agency in which most graduates of the teacher preparation program are likely to teach after completion of the program under subsection (c)(1).

[(e) PEER REVIEW.—The Secretary shall convene a peer review committee to review applications for grants under this section and to make recommendations to the Secretary regarding the selection of grantees. Members of the peer review committee shall be recognized experts in the fields of special education, teacher preparation, and general education and shall not be in a position to benefit financially from any grants awarded under this section.

[(f) EVALUATIONS.—

[(1) BY THE PARTNERSHIP.—

[(A) IN GENERAL.—An eligible partnership receiving a grant under this section shall conduct an evaluation at the end of the grant period to determine—

[(i) the effectiveness of the general education teachers who completed a program under subsection (c)(1) with respect to instruction of students with disabilities in general education classrooms; and

[(ii) the systemic impact of the activities carried out by such grant on how each institution of higher education that is a member of the partnership prepares teachers for instruction in elementary schools and secondary schools.

[(B) REPORT TO THE SECRETARY.—Each eligible partnership performing an evaluation under subparagraph (A) shall report the findings of such evaluation to the Secretary.

[(2) REPORT BY THE SECRETARY.—Not later than 180 days after the last day of the grant period under this section, the Secretary shall make available to Congress and the public the findings of the evaluations submitted under paragraph (1), and information on best practices related to effective instruction of students with disabilities in general education classrooms.

[Subpart 4—Adjunct Teacher Corps

[SEC. 255. ADJUNCT TEACHER CORPS.

[(a) PURPOSE.—The purpose of this section is to create opportunities for professionals and other individuals with subject matter expertise in mathematics, science, or critical foreign languages to provide such subject matter expertise to secondary school students on an adjunct basis.

[(b) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants on a competitive basis to eligible entities to identify,

recruit, and train qualified individuals with subject matter expertise in mathematics, science, or critical foreign languages to serve as adjunct content specialists.

[(c) DURATION OF GRANTS.—The Secretary may award grants under this section for a period of not more than five years.

[(d) ELIGIBLE ENTITY.—In this section, the term "eligible entity" means—

[(1) a local educational agency; or

[(2) a partnership consisting of a local educational agency, serving as a fiscal agent, and a public or private educational organization or business.

[(e) USES OF FUNDS.—An eligible entity that receives a grant under this section is authorized to use such grant to carry out one or both of the following activities:

[(1) To develop the capacity of the eligible entity to identify, recruit, and train individuals with subject matter expertise in mathematics, science, or critical foreign languages who are not employed in the elementary and secondary education system (including individuals in business and government, and individuals who would participate through distance-learning arrangements) to become adjunct content specialists.

[(2) To provide preservice training and on-going professional development to adjunct content specialists.

[(f) APPLICATIONS.—

[(1) APPLICATION REQUIRED.—An eligible entity that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

[(2) CONTENTS.—An application submitted under paragraph (1) shall include—

[(A) a description of—

[(i) the need for, and expected benefits of using, adjunct content specialists in the schools served by the local educational agency, which may include information on the difficulty the local educational agency faces in recruiting qualified faculty in mathematics, science, and critical foreign language courses;

[(ii) measurable objectives for the activities supported by the grant, including the number of adjunct content specialists the eligible entity intends to place in schools and classrooms, and the gains in academic achievement expected as a result of the addition of such specialists;

[(iii) how the eligible entity will establish criteria for and recruit the most qualified individuals and public or private organizations and businesses to participate in the activities supported by the grant;

[(iv) how the eligible entity will provide preservice training and on-going professional development to adjunct content specialists to ensure that such specialists have the capacity to serve effectively;

[(v) how the eligible entity will use funds received under this section, including how the eligible entity will evaluate the success of the activities supported by the grant; and

[(vi) how the eligible entity will support and continue the activities supported by the grant after the grant has expired, including how such entity will seek support from other sources, such as State and local government and the private sector; and

[(B) an assurance that the use of adjunct content specialists will not result in the displacement or transfer of currently employed teachers nor a reduction in the number of overall teachers in the district.

[(g) PRIORITIES.—In awarding grants under this section, the Secretary shall give priority to eligible entities that demonstrate in the application for such a grant a plan to—

[(1) serve the schools served by the local educational agency that have a large number or percentage of students performing below grade level in mathematics, science, or critical foreign language courses;

[(2) serve local educational agencies that have a large number or percentage of students from low-income families; and

[(3) recruit and train individuals to serve as adjunct content specialists in schools that have an insufficient number of teachers in mathematics, science, or critical foreign languages.

[(h) MATCHING REQUIREMENT.—Each eligible entity that receives a grant under this section shall provide, from non-Federal sources, an amount equal to 100 percent of the amount of such grant (in cash or in kind) to carry out the activities supported by such grant.

[(i) PERFORMANCE REPORT.—Each eligible entity receiving a grant under this section shall prepare and submit to the Secretary a final report on the results of the activities supported by such grant, which shall contain such information as the Secretary may require, including any improvements in student academic achievement as a result of the use of adjunct content specialists.

[(j) EVALUATION.—The Secretary shall evaluate the activities supported by grants under this section, including the impact of such activities on student academic achievement, and shall report the results of such evaluation to the authorizing committees.

[(k) DEFINITION.—In this section, the term "adjunct content specialist" means an individual who—

[(1) meets the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act;

[(2) has demonstrated expertise in mathematics, science, or a critical foreign language, as determined by the local educational agency; and

[(3) is not the primary provider of instructional services to a student, unless the adjunct content specialist is under the direct supervision of a teacher who meets the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act.

[Subpart 5—Graduate Fellowships to Prepare Faculty in High-Need Areas at Colleges of Education

[SEC. 258. GRADUATE FELLOWSHIPS TO PREPARE FACULTY IN HIGH-NEED AREAS AT COLLEGES OF EDUCATION.

[(a) GRANTS BY SECRETARY.—The Secretary shall make grants to eligible institutions to enable such institutions to make graduate fellowship awards to qualified individuals in accordance with the provisions of this section.

[(b) ELIGIBLE INSTITUTIONS.—In this section, the term "eligible institution" means an institution of higher education, or a consortium of such institutions, that offers a program of postbaccalaureate study leading to a doctoral degree.

[(c) APPLICATIONS.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

[(d) TYPES OF FELLOWSHIPS SUPPORTED.—

[(1) IN GENERAL.—An eligible institution that receives a grant under this section shall use the grant funds to provide graduate fellowships to individuals who are preparing for the professorate in order to prepare individuals to become elementary school and secondary school mathematics and science teachers, special education teachers, and teachers who provide instruction for limited English proficient students, who meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act.

[(2) TYPES OF STUDY.—A graduate fellowship provided under this section shall support an individual in pursuing postbaccalaureate study, which leads to a doctoral degree and may include a master's degree as part of such study, related to teacher preparation and pedagogy in one of the following areas:

[(A) Science, technology, engineering, or mathematics, if the individual has completed a master's degree in mathematics or science and is pursuing a doctoral degree in mathematics, science, or education.

[(B) Special education.

[(C) The instruction of limited English proficient students, including postbaccalaureate study in language instruction educational programs.

[(e) FELLOWSHIP TERMS AND CONDITIONS.—

[(1) SELECTION OF FELLOWS.—The Secretary shall ensure that an eligible institution that receives a grant under this section—

[(A) shall provide graduate fellowship awards to individuals who plan to pursue a career in instruction at an institution of higher education that has a teacher preparation program; and

[(B) may not provide a graduate fellowship to an otherwise eligible individual—

[(i) during periods in which such individual is enrolled at an institution of higher education unless such individual is maintaining satisfactory academic progress in, and devoting full-time study or research to, the pursuit of the degree for which the fellowship support was provided; or

[(ii) if the individual is engaged in gainful employment, other than part-time employment related to teaching, research, or a similar activity determined by the institution to be consistent with and supportive of the individuals's progress toward the degree for which the fellowship support was provided.

[(2) AMOUNT OF FELLOWSHIP AWARDS.—

[(A) IN GENERAL.—An eligible institution that receives a grant under this section shall award stipends to individuals who are provided graduate fellowships under this section.

[(B) AWARDS BASED ON NEED.—A stipend provided under this section shall be in an amount equal to the level of support provided by the National Science Foundation graduate fellowships, except that such stipend shall be adjusted as necessary so as not to exceed the fellowship recipient's demonstrated need, as determined by the institution of higher education where the fellowship recipient is enrolled.

[(3) SERVICE REQUIREMENT.—

[(A) TEACHING REQUIRED.—Each individual who receives a graduate fellowship under this section and earns a doctoral degree shall teach for one year at an institution of higher education that has a teacher preparation program for each year of fellowship support received under this section.

[(B) INSTITUTIONAL OBLIGATION.—Each eligible institution that receives a grant under this section shall provide an assurance to the Secretary that the institution has inquired of and determined the decision of each individual who has received a graduate fellowship to, within three years of receiving a doctoral degree, begin employment at an institution of higher education that has a teacher preparation program, as required by this section.

[(C) AGREEMENT REQUIRED.—Prior to receiving an initial graduate fellowship award, and upon the annual renewal of the graduate fellowship award, an individual selected to receive a graduate fellowship under this section shall sign an agreement with the Secretary agreeing to pursue a career in instruction at an institution of higher education that has a teacher preparation program in accordance with subparagraph (A).

[(D) FAILURE TO COMPLY.—If an individual who receives a graduate fellowship award under this section fails to comply with the agreement signed pursuant to subparagraph (C), the sum of the amounts of any graduate fellowship award received by such recipient shall, upon a deter-

mination of such a failure, be treated as a Federal Direct Unsubsidized Stafford Loan under part D of title IV, and shall be subject to repayment, together with interest thereon accruing from the date of the fellowship award, in accordance with terms and conditions specified by the Secretary in regulations under this subpart.

[(E) MODIFIED SERVICE REQUIREMENT.—The Secretary may waive or modify the service requirement of this paragraph in accordance with regulations promulgated by the Secretary with respect to the criteria to determine the circumstances under which compliance with such service requirement is inequitable or represents a substantial hardship. The Secretary may waive the service requirement if compliance by the fellowship recipient is determined to be inequitable or represent a substantial hardship—

[(i) because the individual is permanently and totally disabled at the time of the waiver request; or

[(ii) based on documentation presented to the Secretary of substantial economic or personal hardship.

[(f) INSTITUTIONAL SUPPORT FOR FELLOWS.—An eligible institution that receives a grant under this section may reserve not more than ten percent of the grant amount for academic and career transition support for graduate fellowship recipients and for meeting the institutional obligation described in subsection (e)(3)(B).

[(g) RESTRICTION ON USE OF FUNDS.—An eligible institution that receives a grant under this section may not use grant funds for general operational overhead of the institution.]

PART B—ENHANCING TEACHER AND SCHOOL LEADER EDUCATION

SEC. 230. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this part $100,000,000 for fiscal year 2020 and each of the 5 succeeding fiscal years.

(b) DISTRIBUTION OF FUNDS.—Subparts 1 through 4 of this part shall each receive a minimum of 20 percent of the amount appropriated for a fiscal year, and the Secretary shall have discretion over the distribution under this part of the remaining amount appropriated for such fiscal year.

Subpart 1—Honorable Augustus F. Hawkins Centers of Excellence

SEC. 231. FINDINGS.

Congress finds the following:

(1) Our Nation's schools are experiencing a severe teacher diversity gap that negatively impacts student achievement and school culture—50 percent of current students are students of color while only 18 percent of teachers are of color, according to a 2016 study by the Brookings Institution.

(2) A 2016 report conducted by the Department of Education shows that teachers of color tend to provide more culturally relevant teaching and better understand the situations that stu-

dents of color may face. These factors help in the development of trusting teacher-student relationships. Researchers from Vanderbilt University also found that greater racial and ethnic diversity in the principal corps benefits students, especially students of color.

(3) Teachers and school leaders of color can also serve as cultural ambassadors who help students feel more welcome at school or as role models.

(4) Research consistently shows that increasing diversity in the teaching profession can have positive impacts on student educational experiences and outcomes. Students of color demonstrate greater academic achievement and social-emotional development in classes with teachers of color. Studies also suggest that all students, including white students, benefit from having teachers of color offering their distinctive knowledge, experiences, and role modeling to the student body as a whole.

SEC. 232. PURPOSE.

The purpose of this subpart is to strengthen and expand the recruitment, training, and retention of candidates of color into the teaching profession.

SEC. 233. ELIGIBLE INSTITUTION DEFINED.

In this subpart, the term "eligible institution" means an institution of higher education that has a teacher or school leader preparation program that is a accredited by the State and that is—

(1) a part B institution (as defined in section 322);

(2) a Hispanic-serving institution (as defined in section 502);

(3) a Tribal college or university (as defined in section 316);

(4) an Alaska Native-serving institution (as defined in section 317(b));

(5) a Native Hawaiian-serving institution (as defined in section 317(b));

(6) a predominantly black institution (as defined in section 318);

(7) an Asian-American and Native American Pacific Islander-serving institution (as defined in section 320(b));

(8) a Native American-serving, nontribal institution (as defined in section 319);

(9) a consortium of any of the institutions described in paragraphs (1) through (8); or

(10) an institution described in paragraphs (1) through (8), or a consortium described in paragraph (9), in partnership with any other institution of higher education, but only if the center of excellence established under section 234 is located at an institution described in paragraphs (1) through (8).

SEC. 234. AUGUSTUS F. HAWKINS CENTERS OF EXCELLENCE.

(a) PROGRAM AUTHORIZED.—From the amounts provided to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible institutions to establish centers of excellence.

(b) USE OF FUNDS.—An eligible institution shall use a grant received under this subpart to ensure that programs offered at a center of excellence established by such institution prepare current and future teachers or school leaders to be profession-ready, and meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alter-

native routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C)), by carrying out one or more of the following activities:

(1) Implementing reforms within teacher or school leader preparation programs to ensure that such programs are preparing teachers or school leaders who meet such applicable State certification and licensure requirements or qualifications, and are using evidence-based instructional practices to improve student academic achievement, by—

(A) retraining or recruiting faculty; and

(B) designing (or redesigning) teacher or school leader preparation programs that—

(i) prepare teachers or school leaders to serve in low-performing schools and close student achievement gaps; and

(ii) are based on—

(I) rigorous academic content;

(II) evidence-based research; and

(III) challenging State academic standards as described in section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1)); and

(iii) promote effective teaching skills.

(2) Providing sustained and high-quality preservice clinical experience, which may include through high-quality teacher or leader residency programs, including the mentoring of prospective teachers by exemplary teachers or teacher leaders, substantially increasing interaction between faculty at institutions of higher education and new and experienced teachers, principals, school leaders, and other administrators at elementary schools or secondary schools, and providing support, including preparation time, for such interaction.

(3) Developing and implementing initiatives to promote retention of teachers who meet such applicable State certification and licensure requirements or qualifications, and principals and other school leaders, including teachers, principals, and other school leaders of color, including programs that provide—

(A) teacher or principal and other school leader mentoring; and

(B) induction and support for teachers and principals and other school leaders during their first three years of employment as teachers, principals, or other school leaders, respectively.

(4) Awarding scholarships based on financial need to help students pay the costs of tuition, room, board, and other expenses of completing a teacher or other school leader preparation program at the Center of Excellence, not to exceed the cost of attendance as defined in section 472.

(5) Disseminating information on effective practices for teacher or other school leader preparation and successful teacher or other school leader certification and licensure assessment preparation strategies.

(6) Activities authorized under section 202.

(c) APPLICATION.—Any eligible institution desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(d) LIMITATION ON ADMINISTRATIVE EXPENSES.—An eligible institution that receives a grant under this subpart may use not more than 2 percent of the funds provided to administer the grant.

(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out this subpart.

Subpart 2—Preparing Well-Rounded Teachers

SEC. 241. WELL-ROUNDED TEACHING GRANTS.

(a) FINDINGS.—Congress finds that—

(1) students have diverse learning needs and teachers must be prepared to provide a high-quality, equitable education to every child;

(2) improving the pedagogical competencies, behavior management skills, and cultural competencies of teacher candidates prepares them to effectively teach students from diverse backgrounds and increases the likelihood they will remain in the profession; and

(3) teachers who hold dual certification and receive training in social and emotional learning competencies and nonexclusionary, positive behavior management practices are better prepared to create a supportive school climate and meet the needs of all students, including English learners, racially diverse students, students with disabilities, low-income students, and students who have experienced trauma.

(b) PURPOSE.—The purpose of this subpart is to—

(1) strengthen and expand teacher preparation programs that embed dual certification for teacher candidates in special education; and

(2) strengthen and expand teacher preparation programs that embed training on inclusive practices, culturally responsive teaching, social and emotional learning competencies, universal design for learning, and nonexclusionary, positive behavior management practices to teacher candidates.

(c) AUTHORIZATION OF PROGRAM.—

(1) IN GENERAL.—From the amounts provided to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible partnerships to improve the preparation of general education teacher candidates to ensure that such teacher candidates possess the knowledge, skills, and credentials necessary to effectively instruct students with disabilities in general education classrooms, and an understanding of positive behavior-management practices that reduce the use of exclusionary and aversive disciplinary practices and create a supportive school climate.

(2) DURATION OF GRANTS.—A grant under this subpart shall be awarded for a period of not more than 5 years.

(3) NON-FEDERAL SHARE.—An eligible partnership that receives a grant under this subpart shall provide not less than 25 percent of the cost of the activities carried out with such grant

from non-Federal sources, which may be provided in cash or in-kind.

(d) DEFINITION OF ELIGIBLE PARTNERSHIP.—In this section, the term "eligible partnership" means a partnership that—

(1) shall include—

(A) one or more departments or programs at an institution of higher education—

(i) that prepare elementary or secondary general education teachers;

(ii) that have a program of study that leads to an undergraduate degree, a master's degree, or completion of a postbaccalaureate program required for teacher certification; and

(iii) the profession-ready graduates of which meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C));

(B) a department or program that has expertise in special education at an institution of higher education; and

(C) a high-need local educational agency; and

(2) may include—

(A) a department or program of mathematics, earth or physical science, foreign language, or another department at the institution that has a role in preparing teachers; or

(B) a non-profit, research-based organization.

(e) ACTIVITIES.—An eligible partnership that receives a grant under this section—

(1) shall use the grant funds to—

(A) develop or strengthen an undergraduate, postbaccalaureate, or master's teacher preparation program by integrating special education pedagogy into the general education curriculum and academic content that results in applicable dual State certification for teacher candidates who complete the program;

(B) develop or strengthen an undergraduate, postbaccalaureate, or master's teacher preparation program by embedding social and emotional learning strategies, inclusive practices, culturally responsive teaching, and non-exclusionary, positive behavior-management practices into the general education curriculum and academic content;

(C) provide teacher candidates participating in the program under subparagraph (A) with skills related to—

(i) response to intervention, positive behavioral interventions and supports (including eliminating the use of aversive interventions such as seclusion and restraints), differentiated instruction, and data-driven instruction (including the use of data to identify and address disparities in rates of discipline among student subgroups);

(ii) universal design for learning;

(iii) determining and utilizing accommodations for instruction and assessments for students with disabilities;

(iv) collaborating with stakeholders such as special educators, related services providers, out-of-school time providers, and parents, including participation in individualized education program development and implementation;

(v) appropriately utilizing technology and assistive technology for students with disabilities; and

(vi) effectively and equitably using technology for digital and blended learning;

(D) provide teacher candidates participating in the program under subparagraph (B) with skills related to—

(i) social and emotional learning competencies;

(ii) positive behavior interventions and supports or multitiered systems of support;

(iii) trauma-informed care;

(iv) evidenced-based restorative justice practices; and

(v) culturally responsive teaching and anti-bias training that is evidence-based; and

(E) provide extensive clinical experience for participants described in subparagraphs (A) and (B) with mentoring and induction support throughout the program that continues during the first 2 years of full-time teaching.

(f) APPLICATION.—

(1) APPLICATION REQUIREMENTS.—An eligible partnership seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

(A) a self-assessment by the eligible partnership of the existing teacher preparation program at the institution of higher education and needs related to preparing general education teacher candidates to instruct students with disabilities; and

(B) an assessment of the existing personnel needs for general education teachers who instruct students with disabilities, performed by the high-need local educational agency described in subsection (d)(1)(C).

(2) PEER REVIEW.—

(A) IN GENERAL.—The Secretary shall convene a peer review committee to review applications for grants under this subpart and to make recommendations to the Secretary regarding the selection of eligible partnerships for such grants.

(B) MEMBERSHIP.—Members of the peer review committee shall be recognized experts in the fields of special education, social and emotional learning, teacher preparation, and general education and shall not be in a position to benefit financially from any grants awarded under this section.

(g) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this subpart, the Secretary shall, to the maximum extent pos-

sible, provide for an equitable geographic distribution of such grants.

(h) EVALUATIONS.—

(1) BY THE PARTNERSHIP.—

(A) IN GENERAL.—An eligible partnership receiving a grant under this subpart shall conduct an evaluation at the end of the grant period to determine—

(i) the effectiveness of the general education teachers who completed a program under subsection (c)(1) with respect to instruction of students with disabilities in general education classrooms; and

(ii) the systemic impact of the activities carried out by such grant on how each institution of higher education that is a member of the partnership prepares teachers for instruction in elementary schools and secondary schools.

(B) REPORT TO THE SECRETARY.—Each eligible partnership performing an evaluation under subparagraph (A) shall report the findings of such evaluation to the Secretary.

(2) REPORT BY THE SECRETARY.—Not later than 180 days after the last day of the grant period for which an evaluation was conducted under paragraph (1), the Secretary shall make available to the authorizing committees and the public the findings of the evaluations submitted under paragraph (1), and information on best practices related to effective instruction of students with disabilities in general education classrooms.

Subpart 3—Preparing Teachers for English-Learner Instruction

SEC. 251. TEACHING ENGLISH LEARNERS GRANT.

(a) AUTHORIZATION OF PROGRAM.—The Secretary shall award grants, on a competitive basis, to eligible partnerships to improve the preparation of teacher candidates to ensure that such teacher candidates possess the knowledge and skills necessary to effectively instruct English learners.

(b) DURATION OF GRANTS.—A grant under this section shall be awarded for a period of not more than 5 years.

(c) NON-FEDERAL SHARE.—An eligible partnership that receives a grant under this section shall provide not less than 25 percent of the cost of the activities carried out with such grant from non-Federal sources, which may be provided in cash or in kind.

(d) ELIGIBLE PARTNERSHIP.—The term "eligible partnership" means an eligible institution of higher education in partnership with a high-need local educational agency or a high-need early childhood education program.

(e) USES OF FUNDS.—An eligible partnership that receives a grant under this section shall use the grant to—

(1) develop or strengthen an undergraduate, postbaccalaureate, or master's teacher preparation program by integrating strategies for teaching English learners into the education curriculum and academic content;

(2) provide teacher candidates participating in a program under paragraph (1) with skills related to—

(A) helping English learners—

(i) achieve at high levels in prekindergarten programs, and elementary schools and secondary schools so that such English learners can meet the challenging State academic standards adopted under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1)) by the State of the school attended by the English learners, which all children in the State are expected to meet; and

(ii) attain English proficiency;

(B) appropriately identifying and meeting the specific learning needs of children with disabilities who are English learners;

(C) appropriately using universal design for learning;

(D) recognizing and addressing the social and emotional needs of English learners; and

(E) promoting parental, family, and community engagement in educational programs that serve English learners;

(3) provide authentic clinical learning opportunities for teacher candidates participating in the program involving sustained interactions with teachers and English learners at public prekindergarten programs, or elementary schools or secondary schools, to the extent practicable, or simulated environments at the eligible institution of higher education involved, that foster in-depth, first-hand engagement with tasks required of a teacher providing instruction to English learners; and

(4) provide teacher candidates with the required coursework to qualify for an English-as-a-second-language certification, endorsement, or initial teaching credential, as recognized by the State of the eligible partnership.

(f) APPLICATION.—An eligible partnership seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

(1) a self-assessment by the eligible partnership of the existing teacher preparation program at the institution of higher education and the needs related to preparing teacher candidates to instruct English learners in the manner described in subsection (d)(2); and

(2) a self-assessment by the eligible partnership of the personnel needs for teachers who instruct English learners at local, public prekindergarten programs, and elementary schools and secondary schools.

(g) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the maximum extent possible, provide for an equitable geographic distribution of such grants.

(h) EVALUATIONS.—

(1) REPORT FROM ELIGIBLE PARTNERSHIPS.—An eligible partnership receiving a grant under this section shall submit to the Secretary the results of an evaluation conducted by the partnership at the end of the grant period to determine—

(A) the effectiveness of teachers who completed a program under subsection (d)(1) with respect to instruction of English learners; and

(B) the systemic impact of the activities carried out by such grant on how such partnership prepares teachers to provide instruction in prekindergarten programs, and elementary schools and secondary schools.

(2) REPORT FROM THE SECRETARY.—Not later than 180 days after the last day of the grant period under this section, the Secretary shall make available to the authorizing committees and the public—

(A) the findings of the evaluations submitted under paragraph (1); and

(B) information on best practices related to effective instruction of English learners.

Subpart 4—Graduate Fellowships To Prepare Faculty in High-Need Areas at Colleges of Education

SEC. 261. GRADUATE FELLOWSHIPS TO PREPARE FACULTY IN HIGH-NEED AREAS AT COLLEGES OF EDUCATION.

(a) GRANTS BY SECRETARY.—From the amounts provided to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible institutions to enable such institutions to make graduate fellowship awards to qualified individuals in accordance with the provisions of this section.

(b) ELIGIBLE INSTITUTIONS.—In this section, the term "eligible institution" means an institution of higher education, or a consortium of such institutions, that offers a program of postbaccalaureate study leading to a doctoral degree.

(c) APPLICATIONS.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(d) TYPES OF FELLOWSHIPS SUPPORTED.—

(1) IN GENERAL.—An eligible institution that receives a grant under this subpart shall use the grant funds to provide graduate fellowships to individuals who are preparing for the professorate in order to prepare individuals to become elementary school and secondary school science, technology, engineering, and math teachers, special education teachers, and teachers who provide instruction for English-learners, who meet the applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification, or, with regard to special education teachers, the qualifications described in section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C)).

(2) TYPES OF STUDY.—A graduate fellowship provided under this section shall support an individual in pursuing postbaccalaureate study, which leads to a doctoral degree and may include a master's degree as part of such study, related to teacher preparation and pedagogy in one of the following areas:

(A) Science, technology, engineering, mathematics, and computer science, and their related subfields, if the individual has completed a master's degree in mathematics, engineering, science, or computer science and is pursuing a

doctoral degree in mathematics, science, engineering, or education.

(B) Special education.

(C) The instruction of English-learners, including postbaccalaureate study in language instruction educational programs.

(e) FELLOWSHIP TERMS AND CONDITIONS.—

(1) SELECTION OF FELLOWS.—The Secretary shall ensure that an eligible institution that receives a grant under this subpart—

(A) shall provide graduate fellowship awards to individuals who plan to pursue a career in instruction at an institution of higher education that has a teacher preparation program; and

(B) may not provide a graduate fellowship to an otherwise eligible individual—

(i) during periods in which such individual is enrolled at an institution of higher education unless such individual is maintaining satisfactory academic progress in, and devoting full-time study or research to, the pursuit of the degree for which the fellowship support was provided; or

(ii) if the individual is engaged in gainful employment, other than part-time employment related to teaching, research, or a similar activity determined by the institution to be consistent with and supportive of the individual's progress toward the degree for which the fellowship support was provided.

(2) AMOUNT OF FELLOWSHIP AWARDS.—

(A) IN GENERAL.—An eligible institution that receives a grant under this subpart shall award stipends to individuals who are provided graduate fellowships under this subpart.

(B) AWARDS BASED ON NEED.—A stipend provided under this subpart shall be in an amount equal to the level of support provided by the National Science Foundation graduate fellowships, except that such stipend shall be adjusted as necessary so as not to exceed the fellowship recipient's demonstrated need, as determined by the institution of higher education where the fellowship recipient is enrolled.

(3) SERVICE REQUIREMENT.—

(A) TEACHING REQUIRED.—Each individual who receives a graduate fellowship under this subpart and earns a doctoral degree shall teach for 1 year at an institution of higher education that has a teacher preparation program for each year of fellowship support received under this section.

(B) INSTITUTIONAL OBLIGATION.—Each eligible institution that receives a grant under this subpart shall provide an assurance to the Secretary that the institution has inquired of and determined the decision of each individual who has received a graduate fellowship to, within 3 years of receiving a doctoral degree, begin employment at an institution of higher education that has a teacher preparation program, as required by this section.

(C) AGREEMENT REQUIRED.—Prior to receiving an initial graduate fellowship award, and upon the annual renewal of the graduate fellowship award, an individual selected to receive a graduate fellowship under this section shall sign an agreement with the Secretary agreeing to pursue a career in instruction at an institution of higher education that has a teacher preparation program in accordance with subparagraph (A).

(D) FAILURE TO COMPLY.—If an individual who receives a graduate fellowship award under this section fails to comply with the agreement signed pursuant to subparagraph (C), the sum of the amounts of any graduate fellowship award received by such recipient shall, upon a determination of such a failure, be treated as a Federal Direct Unsubsidized Stafford Loan under part D of title IV, and shall be subject to repayment, together with interest thereon accruing from the date of the fellowship award, in accordance with terms and conditions specified by the Secretary in regulations under this subpart.

(E) MODIFIED SERVICE REQUIREMENT.—The Secretary may waive or modify the service requirement of this paragraph in accordance with regulations promulgated by the Secretary with respect to the criteria to determine the circumstances under which compliance with such service requirement is inequitable or represents a substantial hardship. The Secretary may waive the service requirement if compliance by the fellowship recipient is determined to be inequitable or represent a substantial hardship—

(i) because the individual is permanently and totally disabled at the time of the waiver request; or

(ii) based on documentation presented to the Secretary of substantial economic or personal hardship.

(f) INSTITUTIONAL SUPPORT FOR FELLOWS.—An eligible institution that receives a grant under this section may reserve not more than ten percent of the grant amount for academic and career transition support for graduate fellowship recipients and for meeting the institutional obligation described in subsection (e)(3)(B).

(g) RESTRICTION ON USE OF FUNDS.—An eligible institution that receives a grant under this section may not use grant funds for general operational overhead of the institution.

Subpart 5—General Provisions

SEC. 281. COMPETITIVE PRIORITY.

In awarding grants under subparts 1 through 4, the Secretary shall award competitive priority to eligible institutions, eligible partnerships, and eligible entities that demonstrate in the application for such a grant a plan to—

(1) increase the diversity in the educator workforce through—

(A) recruiting, enrolling, and preparing diverse teacher candidates; and

(B) efforts that help retain diverse teacher candidates in high-needs schools;

(2) address the shortage of teachers in high-needs fields including science, technology, engineering, arts, mathematics, or computer science through—

(A) recruiting, enrolling, and preparing teacher candidates to achieve certification, as required by the State, to offer instruction in high-needs fields, including science, technology, engineering, music, arts, mathematics, or computer science; and

(B) efforts that help retain teachers of high-needs fields in high-needs schools;

(3) expand the pipeline of school leaders through preparing teacher leaders, which may be achieved by efforts that may include—

(A) embedding pedagogical coursework for teacher candidates that fosters—

(i) leadership and advocacy skills;

(ii) knowledge of school management and finance;

(iii) school operations and business skills;

(iv) effective use and management of educational and accessible technology;

(v) strategies for community and family engagement; and

(vi) mentorship and coaching strategies; and

(B) providing opportunities for teacher candidates to receive—

(i) exposure to and modeling from teacher leaders and school leaders; and

(ii) ongoing support and continuation of professional development on teacher or other school leadership once exiting the teacher or other school leader preparation program; and

(4) recruit candidates with significant cultural and community competency related to the demographics of the student body in which the candidate will receive a placement, as measured by standards, specified in the plan, which may include—

(A) a candidate's prior record of community service with school-aged children in the community;

(B) nominations from members of the community; and

(C) a candidate's involvement in relevant community organizations.

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TITLE III—INSTITUTIONAL AID

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PART A—STRENGTHENING INSTITUTIONS

SEC. 311. PROGRAM PURPOSE.

(a) GENERAL AUTHORIZATION.—The Secretary shall carry out a program, in accordance with this part, to improve the academic quality, institutional management, and fiscal stability of eligible institutions, in order to increase their self-sufficiency and strengthen their capacity to make a substantial contribution to the higher education resources of the Nation.

(b) GRANTS AWARDED; SPECIAL CONSIDERATION.—(1) From the sums available for this part under section 399(a)(1), the Secretary may award grants to any eligible institution with an application approved under section 391 in order to assist such an institution to plan, develop, or implement activities that promise to strengthen the institution.

(2) Special consideration shall be given to any eligible institution—

(A) which has endowment funds (other than any endowment fund built under section 332 of this Act as in effect on September 30, 1986, and under part B) the market value of which, per full-time equivalent student, is less than the average current market value of the endowment funds, per full-time equivalent student (other than any endowment fund built under section 332 of this Act as in effect on September 30, 1986, and under part B) at similar institutions; or

(B) which has expenditures per full-time equivalent student for library materials which is less than the average of the expenditures for library materials per full-time equivalent student by other similarly situated institutions.

(3) Special consideration shall be given to applications which propose, pursuant to the institution's plan, to engage in—

(A) faculty development;

(B) funds and administrative management;

(C) development and improvement of academic programs;

(D) acquisition of equipment for use in strengthening funds management and academic programs;

(E) joint use of facilities such as libraries and laboratories; and

(F) student services, including services that will assist in the education of special populations.

(c) AUTHORIZED ACTIVITIES.—Grants awarded under this section shall be used for 1 or more of the following activities:

(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

(2) Construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities, including the integration of computer technology into institutional facilities to create smart buildings.

(3) Support of faculty exchanges, faculty development, and faculty fellowships to assist in attaining advanced degrees in the field of instruction of the faculty.

(4) Development and improvement of academic programs.

(5) Purchase of library books, periodicals, and other educational materials, including telecommunications program material.

[(6) Tutoring, counseling, and student service programs designed to improve academic success, including innovative, customized, instruction courses designed to help retain students and move the students rapidly into core courses and through program completion, which may include remedial education and English language instruction.**]**

(6) Tutoring, counseling, advising, and student service programs designed to improve academic success, including innova-

tive and customized instructional courses (which may include remedial education and English language instruction) designed to help retain students and move the students rapidly into core courses and through program completion.

(7) Education or counseling services designed to improve the financial literacy and economic literacy of students or the students' families.

(8) Funds management, administrative management, and [acquisition of equipment for use in strengthening funds management] *acquisition of technology, services, and equipment for use in strengthening funds and administrative management*.

(9) Joint use of facilities, such as laboratories and libraries.

(10) Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

(11) Establishing or improving an endowment fund.

(12) [Creating or improving facilities for Internet or other distance education technologies,] *Innovative learning models and creating or improving facilities for Internet or other innovative technologies,* including purchase or rental of telecommunications technology equipment or services.

(13) Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education.

(14) The development, coordination, implementation, or improvement of postsecondary career and technical education programs as defined in section 135 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2355).

(15) Alignment and integration of career and technical education programs with programs of study, as defined in section 3(41) of the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2302(41)), leading to a bachelor's degree, graduate degree, or professional degree.

(16) Developing or expanding access to dual or concurrent enrollment programs and early college high school programs.

[(13)] *(17)* Other activities proposed in the application submitted pursuant to subsection (b) and section 391 that—

(A) contribute to carrying out the purposes of the program assisted under this part; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

(d) ENDOWMENT FUND.—

(1) IN GENERAL.—An eligible institution may use not more than 20 percent of the grant funds provided under this part to establish or increase an endowment fund at such institution.

(2) MATCHING REQUIREMENT.—In order to be eligible to use grant funds in accordance with paragraph (1), the eligible institution shall provide matching funds from [non-Federal sources] *non-Federal sources (which may include gifts to the endowment fund restricted for a specific purpose)*, in an amount equal to [or greater than] *50 percent of* the Federal funds used in accordance with paragraph (1), for the establishment or increase of the endowment fund.

(3) COMPARABILITY.—The provisions of part C, regarding the establishment or increase of an endowment fund, that the Secretary determines are not inconsistent with this subsection, shall apply to funds used under paragraph (1).

(4) SCHOLARSHIP.—An eligible institution that uses grant funds provided under this section to establish or increase an endowment fund may use the interest proceeds from such endowment to provide scholarships to students for the purposes of attending such institution.

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SEC. 316. AMERICAN INDIAN TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES.

(a) PROGRAM AUTHORIZED.—The Secretary shall provide grants and related assistance to Tribal Colleges and Universities to enable such institutions to improve and expand their capacity to serve Indian students.

(b) DEFINITIONS.—In this section:

(1) INDIAN.—The term "Indian" has the meaning given the term in section 2 of the Tribally Controlled Colleges and Universities Assistance Act of 1978.

(2) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 2 of the Tribally Controlled Colleges and Universities Assistance Act of 1978.

(3) TRIBAL COLLEGE OR UNIVERSITY.—The term "Tribal College or University" means an institution that—

(A) qualifies for funding under the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Act (25 U.S.C. 640a note); or

(B) is cited in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note).

(4) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" means an institution of higher education as defined in section 101(a), except that paragraph (2) of such section shall not apply.

(c) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Grants awarded under this section shall be used by Tribal Colleges or Universities to assist such institutions to plan, develop, undertake, and carry out activities to improve and expand such institutions' capacity to serve Indian students.

(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—The activities described in paragraph (1) may include—

(A) purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

(B) construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services, and the acquisition of real property adjacent to the campus of the institution on which to construct such facilities;

(C) support of faculty exchanges, faculty development, and faculty fellowships to assist in attaining advanced de-

grees in the faculty's field of instruction or in tribal governance or tribal public policy;

(D) academic instruction in disciplines in which [Indians are underrepresented and instruction in tribal governance or tribal public policy] *American Indians and Alaska Natives are underrepresented, instruction in Native American language, and instruction to support tribal governance, tribal public policy, and tribal history and sovereignty*;

(E) purchase of library books, periodicals, and other educational materials, including telecommunications program material;

(F) tutoring, counseling, and student service programs designed to improve academic success;

(G) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' families;

(H) funds management, administrative management, and acquisition of equipment for use in strengthening funds management;

(I) joint use of facilities, such as laboratories and libraries;

(J) establishing or improving a development office to strengthen or improve contributions from alumni and the private sector;

(K) establishing or enhancing a program of teacher education designed to qualify students to teach in elementary schools or secondary schools, with a particular emphasis on teaching Indian children and youth, that shall include, as part of such program, preparation for teacher certification;

(L) establishing community [outreach programs that encourage Indian elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education] *outreach and recruitment activities and programs that encourage American Indian and Alaska Native elementary school students, secondary school students, and adults to develop the academic skills and the interest to pursue and succeed in postsecondary education*;

(M) developing or improving facilities for Internet use or other distance education technologies; and

(N) other activities proposed in the application submitted pursuant to subsection (d) that—

(i) contribute to carrying out the activities described in subparagraphs (A) through (M); and

(ii) are approved by the Secretary as part of the review and acceptance of such application.

(3) ENDOWMENT FUND.—

(A) IN GENERAL.—A Tribal College or University may use not more than 20 percent of the grant funds provided under this section to establish or increase an endowment fund at the institution.

(B) MATCHING REQUIREMENT.—In order to be eligible to use grant funds in accordance with subparagraph (A), the Tribal College or University shall provide [matching

funds] *matching funds (which may include gifts to the endowment fund restricted for a specific purpose)*, in an amount [equal to the Federal funds] *equal to 50 percent of the Federal funds* used in accordance with subparagraph (A), for the establishment or increase of the endowment fund.

(C) COMPARABILITY.—The provisions of part C regarding the establishment or increase of an endowment fund, that the Secretary determines are not inconsistent with this paragraph, shall apply to funds used under subparagraph (A).

(D) SCHOLARSHIPS.—An eligible institution that uses grant funds provided under this section to establish or increase an endowment fund may use the interest proceeds from such endowment to provide scholarships to students for the purposes of attending such institution.

(d) APPLICATION, PLAN, AND ALLOCATION.—

[(1) INSTITUTIONAL ELIGIBILITY.—To be eligible to receive assistance under this section, a Tribal College or University shall be an eligible institution under section 312(b).]

[(2)] *(1)* APPLICATION.—

(A) IN GENERAL.—A Tribal College or University desiring to receive assistance under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(B) STREAMLINED PROCESS.—The Secretary shall establish application requirements in such a manner as to simplify and streamline the process for applying for grants under this section.

[(3)] *(2)* AWARDS AND ALLOCATIONS TO INSTITUTIONS.—

(A) CONSTRUCTION GRANTS.—

(i) IN GENERAL.—Of the amount appropriated to carry out this section for any fiscal year, the Secretary may reserve 30 percent for the purpose of awarding one-year grants of not less than $1,000,000 to address construction, maintenance, and renovation needs at eligible institutions.

(ii) PREFERENCE.—In providing grants under clause (i) for any fiscal year, the Secretary shall give preference to eligible institutions that have not received an award under this section for a previous fiscal year.

(B) ALLOTMENT OF REMAINING FUNDS.—

(i) IN GENERAL.—Except as provided in clause (ii), the Secretary shall distribute the remaining funds appropriated for any fiscal year to each eligible institution as follows:

(I) 60 percent of the remaining appropriated funds shall be distributed among the eligible Tribal Colleges and Universities on a pro rata basis, based on the respective Indian student counts (as defined in section 2(a) of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801(a)) of the Tribal Colleges and Universities.

(II) The remaining 40 percent shall be distributed in equal shares to the eligible Tribal Colleges and Universities.

(ii) MINIMUM GRANT.—The amount distributed to a Tribal College or University under clause (i) shall not be less than $500,000.

(C) USE OF UNEXPENDED FUNDS.—Any funds paid to an institution and not expended or used for the purposes for which the funds were paid during the 5-year period following the date of the initial grant award, may be carried over and expended during the succeeding 5-year period, if such funds were obligated for a purpose for which the funds were paid during the 5-year period following the date of the initial grant award.

[(4)**]** *(3)* SPECIAL RULES.—

(A) CONCURRENT FUNDING.—No Tribal College or University that receives funds under this section shall concurrently receive funds under any other provision of this part, part B, or part A of title V.

(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.

SEC. 316A. NATIVE AMERICAN LANGUAGE VITALIZATION AND TRAINING PROGRAM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—From the amount appropriated under subsection (d), the Secretary shall establish the Native American Language Vitalization and Training Program under which the Secretary shall award grants, on a competitive basis, to eligible institutions to promote the preservation, revitalization, relevancy, and use of Native American languages.

(2) TERM.—The term of a grant under this section shall be not more than 5 years.

(3) APPLICATION.—

(A) STREAMLINED PROCESS.—In carrying out the program under this section, the Secretary shall establish application requirements in such a manner as to simplify and streamline the process for the grant application under this section.

(B) IN GENERAL.—To be eligible to receive a grant under this subsection, an eligible institution shall submit to the Secretary an application at such time, in such manner, and in accordance with any other application requirements described in subparagraph (A), that the Secretary may prescribe, and including the following:

(i) A description of the 5-year program of the eligible institution for meeting the needs of American Indians, Alaska Natives, Native Hawaiians, or Native American Pacific Islanders, as appropriate, in the area served by the institution, and how such plan is consistent with the purposes described in paragraph (1).

(ii)(I) An identification of the population to be served by the eligible institution; and

(II) an identification of the status of Native American language understanding and use within that population and a description of the manner in which the

program will help preserve and revitalize the relevant Native American language.

(iii) A description of the services to be provided under the program, including the manner in which the services will be integrated with other appropriate language programs available in the relevant community.

(iv) A description, to be prepared in consultation with the Secretary, of the performance measures to be used to assess the performance of the eligible institution in carrying out the program.

(b) USE OF FUNDS.—An eligible institution may use a grant under this section to carry out activities consistent with the purposes described in subsection (a)(1), including—

(1) curriculum development and academic instruction, including educational activities, programs, and partnerships relating to students in early childhood education programs through grade 12;

(2) professional development for faculty at the eligible institution and in-service training programs for early childhood education programs through grade 12 instructors and administrators; and

(3) innovative Native American language programs for students in early childhood education programs through grade 12, including language immersion programs.

(c) APPLICABILITY OF OTHER PROVISIONS.—

(1) CONCURRENT FUNDING.—

(A) TRIBAL COLLEGE OR UNIVERSITY.—An eligible institution that is a Tribal College or University may, concurrently, receive a grant under this section and funds under section 316.

(B) ALASKA NATIVE-SERVING INSTITUTION OR NATIVE HAWAIIAN-SERVING INSTITUTION.—An eligible institution that is an Alaska Native-serving institution or Native Hawaiian-serving institution may, concurrently, receive a grant under this section and funds under section 317.

(C) ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTION.—An eligible institution that is an Asian American and Native American Pacific Islander-serving institution may, concurrently, receive a grant under this section and funds under section 320.

(2) EXEMPTION.—Sections 312(b) and 313(d) shall not apply to an eligible institution that receives a grant under this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $20,000,000 (of which $15,000,000 shall be available for Tribal Colleges or Universities and $5,000,000 shall be available for the institutions described in subparagraphs (B) through (D) of subsection (e)(1)) for fiscal year 2021 and each of the 5 succeeding fiscal years.

(e) DEFINITIONS.—In this section:

(1) ELIGIBLE INSTITUTION.—The term "eligible institution" means—

(A) a Tribal College or University, as defined in section 316;

(B) an Alaska Native-serving institution, as defined in section 317;

(C) a Native Hawaiian-serving institution, as defined in section 317; or

(D) an Asian American and Native American Pacific Islander-serving institution, as defined in section 320, which is located in American Samoa, Guam, or the Commonwealth of the Northern Mariana Islands.

(2) NATIVE AMERICAN.—The term "Native American" has the meaning given the term in section 371(c)(6).

SEC. 317. ALASKA NATIVE AND NATIVE HAWAIIAN-SERVING INSTITUTIONS.

(a) PROGRAM AUTHORIZED.—The Secretary shall provide grants and related assistance to Alaska Native-serving institutions and Native Hawaiian-serving institutions to enable such institutions to improve and expand their capacity to serve Alaska Natives and Native Hawaiians.

(b) DEFINITIONS.—For the purpose of this section—

(1) the term "Alaska Native" has the meaning given the term in section 6306 of the Elementary and Secondary Education Act of 1965;

(2) the term "Alaska Native-serving institution" means an institution of higher education that—

(A) is an eligible institution under section 312(b); and

(B) at the time of application, has an enrollment of undergraduate students that is at least 20 percent Alaska Native students;

(3) the term "Native Hawaiian" has the meaning given the term in section 6207 of the Elementary and Secondary Education Act of 1965; and

(4) the term "Native Hawaiian-serving institution" means an institution of higher education which—

(A) is an eligible institution under section 312(b); and

(B) at the time of application, has an enrollment of undergraduate students that is at least 10 percent Native Hawaiian students.

(c) AUTHORIZED ACTIVITIES.—

(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded under this section shall be used by Alaska Native-serving institutions and Native Hawaiian-serving institutions to assist such institutions to plan, develop, undertake, and carry out activities to improve and expand such institutions' capacity to serve Alaska Natives or Native Hawaiians.

(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—Such programs may include—

(A) purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

(B) renovation and improvement in classroom, library, laboratory, and other instructional facilities;

(C) support of faculty exchanges, and faculty development and faculty fellowships to assist in attaining advanced degrees in the faculty's field of instruction;

(D) curriculum development and academic instruction;

(E) purchase of library books, periodicals, microfilm, and other educational materials;

(F) funds and administrative management, and acquisition of equipment for use in strengthening funds management;

(G) joint use of facilities such as laboratories and libraries;

(H) academic tutoring and counseling programs and student support services; and

(I) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' families.

(d) APPLICATION PROCESS.—

(1) INSTITUTIONAL ELIGIBILITY.—Each Alaska Native-serving institution and Native Hawaiian-serving institution desiring to receive assistance under this section shall submit to the Secretary such enrollment data as may be necessary to demonstrate that the institution is an Alaska Native-serving institution or a Native Hawaiian-serving institution as defined in subsection (b), along with such other information and data as the Secretary may by regulation require.

(2) APPLICATIONS.—Any institution which is determined by the Secretary to be an Alaska Native-serving institution or a Native Hawaiian-serving institution may submit an application for assistance under this section to the Secretary. The Secretary shall, to the extent possible, prescribe a simplified and streamlined format for such applications that takes into account the limited number of institutions that are eligible for assistance under this section. Such application shall include—

(A) a 5-year plan for improving the assistance provided by the Alaska Native-serving institution or the Native Hawaiian-serving institution to Alaska Native or Native Hawaiian students; and

(B) such other information and assurance as the Secretary may require.

(3) SPECIAL RULES.—

[(A) ELIGIBILITY.—No Alaskan Native-serving institution or Native Hawaiian-serving institution that receives funds under this section shall concurrently receive funds under other provisions of this part or part B.]

(A) ELIGIBILITY.—No Alaskan Native-serving institution of Native Hawaiian-serving institution that receives funds under this section shall concurrently receive funds under other provisions of this part, part B, or part A of title V.

(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.

(C) DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the extent possible and consistent with the competitive process under which such grants are awarded, ensure maximum and equitable distribution among all eligible institutions.

SEC. 318. PREDOMINANTLY BLACK INSTITUTIONS.

(a) PURPOSE.—It is the purpose of this section to assist Predominantly Black Institutions in expanding educational opportunity through a program of Federal assistance.

(b) DEFINITIONS.—In this section:

(1) ELIGIBLE INSTITUTION.—The term "eligible institution" means an institution of higher education that—

(A) has an enrollment of needy undergraduate students;

(B) has an average educational and general expenditure that is low, per full-time equivalent undergraduate student, in comparison with the average educational and general expenditure per full-time equivalent undergraduate student of institutions that offer similar instruction, except that the Secretary may apply the waiver requirements described in section 392(b) to this subparagraph in the same manner as the Secretary applies the waiver requirements to section 312(b)(1)(B);

(C) has an enrollment of undergraduate students that is not less than 40 percent Black American students;

(D) is legally authorized to provide, and provides, within the State an educational program for which the institution of higher education awards a baccalaureate degree or, in the case of a junior or community college, an associate's degree;

(E) is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be a reliable authority as to the quality of training offered or is, according to such an agency or association, making reasonable progress toward accreditation; and

(F) is not receiving assistance under—

(i) part B;

(ii) part A of title V; or

(iii) an annual authorization of appropriations under the Act of March 2, 1867 (14 Stat. 438; 20 U.S.C. 123).

(2) ENROLLMENT OF NEEDY STUDENTS.—The term "enrollment of needy students" means the enrollment at an eligible institution with respect to which not less than 50 percent of the undergraduate students enrolled in an academic program leading to a degree—

(A) in the second fiscal year preceding the fiscal year for which the determination is made, were Federal Pell Grant recipients for such year;

(B) come from families that receive benefits under a means-tested Federal benefit program;

(C) attended a public or nonprofit private secondary school that—

(i) is in the school district of a local educational agency that was eligible for assistance under part A of title I of the Elementary and Secondary Education Act of 1965 for any year during which the student attended such secondary school; and

(ii) for the purpose of this paragraph and for such year of attendance, was determined by the Secretary (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children meeting a measure of poverty under section 1113(a)(5) of such Act exceeds 30 percent of the total enrollment of such school; or

(D) are first-generation college students and a majority of such first-generation college students are low-income individuals.

(3) FIRST-GENERATION COLLEGE STUDENT.—The term "first-generation college student" has the meaning given the term in section 402A(h).

(4) LOW-INCOME INDIVIDUAL.—The term "low-income individual" has the meaning given such term in section 402A(h).

(5) MEANS-TESTED FEDERAL BENEFIT PROGRAM.—The term "means-tested Federal benefit program" means a program of the Federal Government, other than a program under title IV, in which eligibility for the program's benefits, or the amount of such benefits, are determined on the basis of income or resources of the individual or family seeking the benefit.

(6) PREDOMINANTLY BLACK INSTITUTION.—The term "Predominantly Black Institution" means an institution of higher education, as defined in section 101(a)—

(A) that is an eligible institution with not less than 1,000 undergraduate students;

(B) at which not less than 50 percent of the undergraduate students enrolled at the eligible institution are low-income individuals or first-generation college students; and

(C) at which not less than 50 percent of the undergraduate students are enrolled in an educational program leading to a bachelor's or associate's degree that the eligible institution is licensed to award by the State in which the eligible institution is located.

(7) STATE.—The term "State" means each of the 50 States and the District of Columbia.

(c) GRANT AUTHORITY.—

(1) IN GENERAL.—The Secretary is authorized to award grants, from allotments under subsection (e), to Predominantly Black Institutions to enable the Predominantly Black Institutions to carry out the authorized activities described in subsection (d).

(2) PRIORITY.—In awarding grants under this section the Secretary shall give priority to Predominantly Black Institutions with large numbers or percentages of students described in subsections (b)(1)(A) or (b)(1)(C). The level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in subsection (b)(1)(A) shall be twice the level of priority given to Predominantly Black Institutions with large numbers or percentages of students described in subsection (b)(1)(C).

(d) AUTHORIZED ACTIVITIES.—

(1) REQUIRED ACTIVITIES.—Grant funds provided under this section shall be used—

(A) to assist the Predominantly Black Institution to plan, develop, undertake, and implement programs to enhance the institution's capacity to serve more low- and middle-income Black American students;

(B) to expand higher education opportunities for students eligible to participate in programs under title IV by

encouraging college preparation and student persistence in secondary school and postsecondary education; and

(C) to strengthen the financial ability of the Predominantly Black Institution to serve the academic needs of the students described in subparagraphs (A) and (B).

(2) ADDITIONAL ACTIVITIES.—Grant funds provided under this section shall be used for one or more of the following activities:

(A) The activities described in paragraphs (1) through (12) of section 311(c).

(B) Academic instruction in disciplines in which Black Americans are underrepresented.

(C) Establishing or enhancing a program of teacher education designed to qualify students to teach in a public elementary school or secondary school in the State that shall include, as part of such program, preparation for teacher certification or licensure.

(D) Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education.

(E) Other activities proposed in the application submitted pursuant to subsection (f) that—

(i) contribute to carrying out the purpose of this section; and

(ii) are approved by the Secretary as part of the review and approval of an application submitted under subsection (f).

(3) ENDOWMENT FUND.—

(A) IN GENERAL.—A Predominantly Black Institution may use not more than 20 percent of the grant funds provided under this section to establish or increase an endowment fund at the institution.

(B) MATCHING REQUIREMENT.—In order to be eligible to use grant funds in accordance with subparagraph (A), a Predominantly Black Institution shall provide matching funds from [non-Federal sources] *non-Federal sources (which may include gifts to the endowment fund restricted for a specific purpose)*, in an amount [equal to or greater than the Federal funds] *equal to 50 percent of the Federal funds* used in accordance with subparagraph (A), for the establishment or increase of the endowment fund.

(C) COMPARABILITY.—The provisions of part C, regarding the establishment or increase of an endowment fund, that the Secretary determines are not inconsistent with this subsection, shall apply to funds used under subparagraph (A).

(D) SCHOLARSHIPS.—An eligible institution that uses grant funds provided under this section to establish or increase an endowment fund may use the interest proceeds from such endowment to provide scholarships to students for the purposes of attending such institution.

(4) LIMITATION.—Not more than 50 percent of the grant funds provided to a Predominantly Black Institution under this section may be available for the purpose of constructing or

maintaining a classroom, library, laboratory, or other instructional facility.

(e) ALLOTMENTS TO PREDOMINANTLY BLACK INSTITUTIONS.—

(1) FEDERAL PELL GRANT BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-half of that amount as the number of Federal Pell Grant recipients in attendance at such institution at the end of the academic year preceding the beginning of that fiscal year, bears to the total number of Federal Pell Grant recipients at all such institutions at the end of such academic year.

(2) GRADUATES BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-fourth of that amount as the number of graduates for such academic year at such institution, bears to the total number of graduates for such academic year at all such institutions.

(3) GRADUATES SEEKING A HIGHER DEGREE BASIS.—From the amounts appropriated to carry out this section for any fiscal year, the Secretary shall allot to each Predominantly Black Institution having an application approved under subsection (f) a sum that bears the same ratio to one-fourth of that amount as the percentage of graduates from such institution who are admitted to and in attendance at, not later than two years after graduation with an associate's degree or a baccalaureate degree, a baccalaureate degree-granting institution or a graduate or professional school in a degree program in disciplines in which Black American students are underrepresented, bears to the percentage of such graduates for all such institutions.

(4) MINIMUM ALLOTMENT.—

(A) IN GENERAL.—Notwithstanding paragraphs (1), (2), and (3), the amount allotted to each Predominantly Black Institution under this section may not be less than $250,000.

(B) INSUFFICIENT AMOUNT.—If the amounts appropriated to carry out this section for a fiscal year are not sufficient to pay the minimum allotment provided under subparagraph (A) for the fiscal year, then the amount of such minimum allotment shall be ratably reduced. If additional sums become available for such fiscal year, such reduced allotment shall be increased on the same basis as the allotment was reduced until the amount allotted equals the minimum allotment required under subparagraph (A).

(5) REALLOTMENT.—The amount of a Predominantly Black Institution's allotment under paragraph (1), (2), (3), or (4) for any fiscal year that the Secretary determines will not be needed for such institution for the period for which such allotment is available, shall be available for reallotment to other Predominantly Black Institutions in proportion to the original allotments to such other institutions under this section for such fiscal year. The Secretary shall reallot such amounts from time

to time, on such date and during such period as the Secretary determines appropriate.

(f) APPLICATIONS.—Each Predominantly Black Institution desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(g) APPLICATION REVIEW PROCESS.—Section 393 shall not apply to applications under this section.

(h) DURATION AND CARRYOVER.—Any grant funds paid to a Predominantly Black Institution under this section that are not expended or used for the purposes for which the funds were paid within ten years following the date on which the grant was awarded, shall be repaid to the Treasury.

(i) [SPECIAL RULE ON ELIGIBILITY] *SPECIAL RULES.*—[No Predominantly]

(1) ELIGIBILITY.—No Predominantly Black Institution that receives funds under this section shall concurrently receive funds under any other provision of this part, part B, or part A of title V.

(2) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.

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SEC. 320. ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTIONS.

(a) PROGRAM AUTHORIZED.—The Secretary shall provide grants and related assistance to Asian American and Native American Pacific Islander-serving institutions to enable such institutions to improve and expand their capacity to serve Asian Americans and Native American Pacific Islanders and low-income individuals.

(b) DEFINITIONS.—In this section:

(1) ASIAN AMERICAN.—The term "Asian American" has the meaning given the term "Asian" in the Office of Management and Budget's Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity as published on October 30, 1997 (62 Fed. Reg. 58789).

(2) ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTION.—The term "Asian American and Native American Pacific Islander-serving institution" means an institution of higher education that—

(A) is an eligible institution under section 312(b); and

(B) at the time of application, has an enrollment of undergraduate students that is not less than 10 percent students who are Asian American or Native American Pacific Islander.

(3) NATIVE AMERICAN PACIFIC ISLANDER.—The term "Native American Pacific Islander" means any descendant of the aboriginal people of any island in the Pacific Ocean that is a territory or possession of the United States.

(c) AUTHORIZED ACTIVITIES.—

(1) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded under this section shall be used by Asian American and Native American Pacific Islander-serving institutions to assist such institutions to plan, develop, undertake, and carry out activities

to improve and expand such institutions' capacity to serve Asian Americans and Native American Pacific Islanders and low-income individuals.

(2) EXAMPLES OF AUTHORIZED ACTIVITIES.—Such programs may include—

(A) purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

(B) renovation and improvement in classroom, library, laboratory, and other instructional facilities;

(C) support of faculty exchanges, and faculty development and faculty fellowships to assist in attaining advanced degrees in the faculty's field of instruction;

(D) curriculum development and academic instruction;

(E) purchase of library books, periodicals, microfilm, and other educational materials;

(F) funds and administrative management, and acquisition of equipment for use in strengthening funds management;

(G) joint use of facilities such as laboratories and libraries;

(H) academic tutoring and counseling programs and student support services;

(I) establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education;

(J) establishing or improving an endowment fund;

(K) academic instruction in disciplines in which Asian Americans and Native American Pacific Islanders are underrepresented;

(L) conducting research and data collection for Asian American and Native American Pacific Islander populations and subpopulations;

(M) establishing partnerships with community-based organizations serving Asian Americans and Native American Pacific Islanders; and

(N) education or counseling services designed to improve the financial and economic literacy of students or the students' families.

(d) APPLICATION PROCESS.—

(1) INSTITUTIONAL ELIGIBILITY.—Each Asian American and Native American Pacific Islander-serving institution desiring to receive assistance under this section shall submit to the Secretary such enrollment data as may be necessary to demonstrate that the institution is an Asian American and Native American Pacific Islander-serving institution as defined in subsection (b), along with such other information and data as the Secretary may reasonably require.

(2) APPLICATIONS.—Any institution that is determined by the Secretary to be an Asian American and Native American Pacific Islander-serving institution may submit an application for assistance under this section to the Secretary. Such application shall include—

(A) a five-year plan for improving the assistance provided by the Asian American and Native American Pacific Islander-serving institution to Asian American and Native American Pacific Islander students and low-income individuals; and

(B) such other information and assurances as the Secretary may reasonably require.

(3) SPECIAL RULES.—

(A) ELIGIBILITY.—No Asian American and Native American Pacific Islander-serving institution that receives funds under this section shall concurrently receive funds under any other provision of this part, part B, or *part A of* title V.

(B) EXEMPTION.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.

(C) DISTRIBUTION.—In awarding grants under this section, the Secretary shall—

(i) to the extent possible and consistent with the competitive process under which such grants are awarded, ensure maximum and equitable distribution among all eligible institutions; and

(ii) give priority consideration to institutions for which not less than 10 percent of such institution's Asian American and Native American Pacific Islander students are low-income individuals.

PART B—STRENGTHENING HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

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SEC. 323. GRANTS TO INSTITUTIONS.

(a) GENERAL AUTHORIZATION; USES OF FUNDS.—From amounts available under section 399(a)(2) for any fiscal year, the Secretary shall make grants (under section 324) to institutions which have applications approved by the Secretary (under section 325) for any of the following uses:

(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

(2) Construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

(3) Support of faculty exchanges, and faculty development and faculty fellowships to assist in attaining advanced degrees in their field of instruction.

(4) Academic instruction in disciplines in which Black Americans are underrepresented.

(5) Purchase of library books, periodicals, microfilm, and other educational materials, including telecommunications program materials.

[(6) Tutoring, counseling, and student service programs designed to improve academic success.

[(7) Funds and administrative management, and acquisition of equipment for use in strengthening funds management.**]**

(6) Tutoring, counseling, advising, and student service programs designed to improve academic success, including innovative and customized instructional courses (which may include remedial education and English language instruction) designed to help retain students and move students rapidly into core courses and through program completion.

(7) Funds and administrative management, and acquisition of technology, services, and equipment for use in strengthening funds and administrative management.

(8) Joint use of facilities, such as laboratories and libraries.

(9) Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

(10) Establishing or enhancing a program of [teacher education] *traditional or alternative route teacher preparation* designed to qualify students to teach in a public elementary or secondary school in the State that shall include, as part of such program, [preparation for teacher certification] *preparation of graduates for teacher certification or licensure*.

(11) Establishing community outreach programs which will encourage elementary and secondary students to develop the academic skills and the interest to pursue postsecondary education.

(12) Acquisition of real property in connection with the construction, renovation, or addition to or improvement of campus facilities.

(13) Education or financial information designed to improve the financial literacy and economic literacy of students or the students' families, especially with regard to student indebtedness and student assistance programs under title IV.

(14) Services necessary for the implementation of projects or activities that are described in the grant application and that are approved, in advance, by the Secretary, except that not more than two percent of the grant amount may be used for this purpose.

(15) Distance education programs and creating or improving facilities for internet or other distance learning academic instruction capabilities, including the purchase or rental of telecommunications technology equipment or services.

(16) Establishing or improving a program that produces improved results in the educational outcomes of African American males.

(17) Scholarships, fellowships, and other financial assistance for financially needy undergraduate students, as determined by the institution, to permit the enrollment and degree completion of such students in the physical or natural sciences, engineering, mathematics or other scientific disciplines in which African Americas are underrepresented, except that not more than 30 percent of the grant amount may be used for this purpose.

(18) Establishing or improving an office of sponsored programs to assist with identifying external funding opportunities, applying for external funding, and administering grant awards.

[(15)] *(19)* Other activities proposed in the application submitted pursuant to section 325 that—

(A) contribute to carrying out the purposes of this part; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

(b) ENDOWMENT FUND.—

(1) IN GENERAL.—An institution may use not more than 20 percent of the grant funds provided under this part to establish or increase an endowment fund at the institution.

(2) MATCHING REQUIREMENT.—In order to be eligible to use grant funds in accordance with paragraph (1), the eligible institution shall provide matching funds from [non-Federal sources] *non-Federal sources (which may include gifts to the endowment fund restricted for a specific purpose)*, in an amount [equal to or greater than the Federal funds] *equal to 50 percent of the Federal funds* used in accordance with paragraph (1), for the establishment or increase of the endowment fund.

(3) COMPARABILITY.—The provisions of part C regarding the establishment or increase of an endowment fund, that the Secretary determines are not inconsistent with this subsection, shall apply to funds used under paragraph (1).

(4) SCHOLARSHIPS.—An eligible institution that uses grant funds provided under this section to establish or increase an endowment fund may use the interest proceeds from such endowment to provide scholarships to students for the purposes of attending such institution.

(c) LIMITATIONS.—(1) No grant may be made under this Act for any educational program, activity, or service related to sectarian instruction or religious worship, or provided by a school or department of divinity. For the purpose of this subsection, the term "school or department of divinity" means an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation, or to prepare them to teach theological subjects.

(2) Not more than 50 percent of the allotment of any institution may be available for the purpose of constructing or maintaining a classroom, library, laboratory, or other instructional facility.

SEC. 324. ALLOTMENTS TO INSTITUTIONS.

(a) ALLOTMENT; PELL GRANT BASIS.—From the amounts appropriated to carry out this part for any fiscal year, the Secretary shall allot to each part B institution a sum which bears the same ratio to one-half that amount as the number of Pell Grant recipients in attendance at such institution at the end of the school year preceding the beginning of that fiscal year bears to the total number of Pell Grant recipients at all part B institutions.

(b) ALLOTMENT; GRADUATES BASIS.—From the amounts appropriated to carry out this part for any fiscal year, the Secretary shall allot to each part B institution a sum which bears the same ratio to one-fourth that amount as the number of graduates for such school year at such institution bears to the total number of graduates for such school year at all part B institutions.

(c) ALLOTMENT; GRADUATE AND PROFESSIONAL STUDENT BASIS.—From the amounts appropriated to carry out this part for any fiscal year, the Secretary shall allot to each part B institution a sum which bears the same ratio to one-fourth of that amount as the percentage of graduates per institution, who are admitted to and in at-

tendance at, within [5] *6* years of graduation with a baccalaureate degree, a graduate or professional school in a degree program in disciplines in which Blacks are underrepresented, bears to the percentage of such graduates per institution for all part B institutions.

(d) MINIMUM ALLOTMENT.—(1) Notwithstanding subsections (a) through (c), and subject to subsection (h), if the amount of an award under this section for a part B institution, based on the data provided by the part B institution and the formula under subsections (a) through (c), would be—

[(A) an amount that is greater than $250,000 but less than $500,000, the Secretary shall award the part B institution an allotment in the amount of $500,000; and

[(B) an amount that is equal to or less than $250,000, the Secretary shall award the part B institution an allotment in the amount of $250,000.]

(A) less than $500,000 for a part B institution which has received a grant under this part, the Secretary shall award the part B institution an allotment in the amount of $500,000; and

(B) less than $250,000 for a part B institution which has not received a grant under this part for a fiscal year prior to fiscal year 2019, the Secretary shall award the part B institution an allotment in the amount of $250,000.

(2) If the amount appropriated pursuant to section 399(a)(2)(A) for any fiscal year is not sufficient to pay the minimum allotment required by paragraph (1) to all part B institutions, the amount of such minimum allotments shall be ratably reduced. If additional sums become available for such fiscal year, such reduced allocations shall be increased on the same basis as the basis on which they were reduced (until the amount allotted equals the minimum allotment required by paragraph (1)).

(e) REALLOTMENT.—The amount of any part B institution's allotment under subsection (a), (b), (c), or (d) for any fiscal year which the Secretary determines will not be required for such institution for the period such allotment is available shall be available for reallotment from time to time on such date during such period as the Secretary may determine to other part B institutions in proportion to the original allotment to such other institutions under this section for such fiscal year.

(f) SPECIAL MERGER RULE.—(1) The Secretary shall permit any eligible institution for a grant under part B in any fiscal year prior to the fiscal year 1986 to apply for a grant under this part if the eligible institution has merged with another institution of higher education which is not so eligible or has merged with an eligible institution.

(2) The Secretary may establish such regulations as may be necessary to carry out the requirement of paragraph (1) of this subsection.

(g) SPECIAL RULE FOR CERTAIN DISTRICT OF COLUMBIA ELIGIBLE INSTITUTIONS.—In any fiscal year that the Secretary determines that Howard University or the University of the District of Columbia will receive an allotment under subsections (b) and (c) of this section which is not in excess of amounts received by Howard University under the Act of March 2, 1867 (14 Stat. 438; 20 U.S.C. 123), relating to annual authorization of appropriations for Howard University, or by the University of the District of Columbia under

the District of Columbia Self-Government and Governmental Reorganization Act (87 Stat. 774) for such fiscal year, then Howard University and the University of the District of Columbia, as the case may be, shall be ineligible to receive an allotment under this section.

(h) CONDITIONS FOR ALLOTMENTS.—

(1) STUDENT REQUIREMENTS FOR ALLOTMENT.—Notwithstanding any other provision of this section, a part B institution that would otherwise be eligible for funds under this part shall not receive an allotment under this part for a fiscal year, including the minimum allotment under subsection (d), if the part B institution, in the academic year preceding such fiscal year—

(A) did not have any enrolled students who were Pell Grant recipients;

(B) did not graduate any students; or

(C) where appropriate, did not have any students who, [within 5 years] *within 6 years* of graduation from the part B institution, were admitted to and in attendance at a graduate or professional school in a degree program in disciplines in which Blacks are underrepresented.

(2) DATA REQUIREMENTS FOR ALLOTMENTS.—Notwithstanding any other provision of this section, a part B institution shall not receive an allotment under this part for a fiscal year, including the minimum allotment under subsection (d), unless the institution provides the Secretary with the data required by the Secretary and for purposes of the formula described in subsections (a) through (c), including—

(A) the number of Pell Grant recipients enrolled in the part B institution in the academic year preceding such fiscal year;

(B) the number of students who earned an associate or baccalaureate degree from the part B institution in the academic year preceding such fiscal year; and

(C) where appropriate, the percentage of students who, [within 5 years] *within 6 years* of graduation from the part B institution, were admitted to and in attendance at a graduate or professional school in a degree program in disciplines in which Blacks are underrepresented in the academic year preceding such fiscal year.

(3) LIMITATION FOR NEW INSTITUTIONS.—Notwithstanding any other provision of this section, no part B institution that would otherwise be eligible for funds under this part shall receive an allotment under this part for a fiscal year, unless—

(A) such institution received an allotment under this part for fiscal year 2019; or

(B) the amount appropriated under section 399(a)(2)(A) for such fiscal year is not less than $282,420,000.

SEC. 325. APPLICATIONS.

(a) CONTENTS.—No part B institution shall be entitled to its allotment of Federal funds for any grant under section 324 for any period unless that institution meets the requirements of subparagraphs (C), (D), and (E) of section 312(b)(1) and submits an application to the Secretary at such time, in such manner, and containing

or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

(1) provide that the payments under this Act will be used for the purposes set forth in section 323; and

(2) provide for making an annual report to the Secretary and provide for—

(A) conducting, except as provided in subparagraph (B), a financial and compliance audit of an eligible institution, with regard to any funds obtained by it under this title at least once every 2 years and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary; or

(B) with regard to an eligible institution which is audited under chapter 75 of title 31, United States Code, deeming such audit to satisfy the requirements of subparagraph (A) for the period covered by such audit.

(b) APPROVAL.—The Secretary shall approve any application which meets the requirements of subsection (a) and shall not disapprove any application submitted under this part, or any modification thereof, without first affording such institution reasonable notice and opportunity for a hearing.

(c) GOALS FOR FINANCIAL MANAGEMENT AND ACADEMIC PROGRAMS.—Any application for a grant under this part shall describe measurable goals for the institution's financial management and academic programs*, including goals to enhance student retention, graduation, and postgraduate outcomes,* and include a plan of how the applicant intends to achieve those goals.

SEC. 326. PROFESSIONAL OR GRADUATE INSTITUTIONS.

(a) GENERAL AUTHORIZATION.—(1) Subject to the availability of funds appropriated to carry out this section, the Secretary shall award program grants to each of the postgraduate institutions listed in subsection (e) that is determined by the Secretary to be making a substantial contribution to the legal, medical, dental, veterinary, or other graduate education opportunities in mathematics, engineering, or the physical or natural sciences for Black Americans.

(2) No grant in excess of $1,000,000 may be made under this section unless the postgraduate institution provides assurances that 50 percent of the cost of the purposes for which the grant is made will be paid from non-Federal sources, except that no institution shall be required to match any portion of the first $1,000,000 of the institution's award from the Secretary. After funds are made available to each eligible institution under the funding rules described in subsection (f), the Secretary shall distribute, on a pro rata basis, any amounts which were not so made available (by reason of the failure of an institution to comply with the matching requirements of this paragraph) among the institutions that have complied with such matching requirement.

(b) DURATION.—Grants shall be made for a period not to exceed 5 years. Any funds awarded for such five-year grant period that are

obligated during such five-year period may be expended during the 10-year period beginning on the first day of such five-year period.

(c) USES OF FUNDS.—A grant under this section may be used for—

(1) purchase, rental or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

(2) construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services;

(3) purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials;

(4) scholarships, fellowships, and other financial assistance for needy graduate and professional students to permit the enrollment of the students in and completion of the doctoral degree in medicine, dentistry, pharmacy, veterinary medicine, law, and the doctorate degree in the physical or natural sciences, engineering, mathematics, or other scientific disciplines in which African Americans are underrepresented;

(5) establishing or improving a development office to strengthen and increase contributions from alumni and the private sector;

(6) assisting in the establishment or maintenance of an institutional endowment to facilitate financial independence pursuant to section 331;

(7) funds and administrative management, and the acquisition of [equipment,] *equipment, technology, and services,* including software, for use in strengthening funds *and administrative* management and management information systems;

(8) acquisition of real property that is adjacent to the campus in connection with the construction, renovation, or addition to or improvement of campus facilities;

(9) education or financial information designed to improve the financial literacy and economic literacy of students or the students' families, especially with regard to student indebtedness and student assistance programs under title IV;

(10) services necessary for the implementation of projects or activities that are described in the grant application and that are approved, in advance, by the Secretary, except that not more than two percent of the grant amount may be used for this purpose;

[(11) tutoring, counseling, and student service programs designed to improve academic success; and]

(11) tutoring, counseling, advising, and student service programs designed to improve academic success, including innovative and customized instructional courses (which may include remedial education and English language instruction) designed to help retain students and move students rapidly into core courses and through program completion; and

(12) distance education programs and creating or improving facilities for internet or other distance learning academic instruction capabilities, including the purchase or rental of telecommunications technology equipment or services; and

[(12)] *(13)* other activities proposed in the application submitted under subsection (d) that—

(A) contribute to carrying out the purposes of this part; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

(d) APPLICATION.—Any institution eligible for a grant under this section shall submit an application which—

(1) demonstrates how the grant funds will be used to improve graduate educational opportunities for Black and low-income students, and lead to greater financial independence; and

(2) provides, in the case of applications for grants in excess of $1,000,000, the assurances required by subsection (a)(2) and specifies the manner in which the eligible institution is going to pay the non-Federal share of the cost of the application.

(e) ELIGIBILITY.—

(1) IN GENERAL.—Independent professional or graduate institutions and programs eligible for grants under subsection (a) are the following:

(A) Morehouse School of Medicine;

(B) Meharry Medical School;

(C) Charles R. Drew Postgraduate Medical School;

(D) Clark-Atlanta University;

(E) Tuskegee University School of Veterinary Medicine and other qualified graduate programs;

(F) Xavier University School of Pharmacy and other qualified graduate programs;

(G) Southern University School of Law and other qualified graduate programs;

(H) Texas Southern University School of Law and School of Pharmacy and other qualified graduate programs;

(I) Florida A&M University School of Pharmaceutical Sciences and other qualified graduate programs;

(J) North Carolina Central University School of Law and other qualified graduate programs;

(K) Morgan State University qualified graduate program;

(L) Hampton University qualified graduate program;

(M) Alabama A&M qualified graduate program;

(N) North Carolina A&T State University qualified graduate program;

(O) University of Maryland Eastern Shore qualified graduate program;

(P) Jackson State University qualified graduate program;

(Q) Norfolk State University qualified graduate programs;

(R) Tennessee State University qualified graduate programs;

(S) Alabama State University qualified graduate programs;

(T) Prairie View A&M University qualified graduate programs;

(U) Delaware State University qualified graduate programs;

(V) Langston University qualified graduate programs;

(W) Bowie State University qualified graduate programs; [and]

(X) University of the District of Columbia David A. Clarke School of Law[.]*; and*

(Y) University of the Virgin Islands School of Medicine.

(2) QUALIFIED GRADUATE PROGRAM.—(A) For the purposes of this section, the term "qualified graduate program" means a graduate or professional program that provides a program of instruction in law or in the physical or natural sciences, engineering, mathematics, psychometrics, or other scientific discipline in which African Americans are underrepresented and has students enrolled in such program at the time of application for a grant under this section.

(B) Notwithstanding the enrollment requirement contained in subparagraph (A), an institution may use an amount equal to not more than 10 percent of the institution's grant under this section for the development of a new qualified graduate program.

(3) SPECIAL RULE.—Institutions that were awarded grants under this section prior to October 1, 2008, shall continue to receive such grants, subject to the availability of appropriated funds, regardless of the eligibility of the institutions described in subparagraphs (S) through (X) of paragraph (1).

(4) ONE GRANT PER INSTITUTION.—The Secretary shall not award more than 1 grant under this section in any fiscal year to any institution of higher education.

(5) INSTITUTIONAL CHOICE.—The president or chancellor of the institution may decide which graduate or professional school or qualified graduate program will receive funds under the grant in any 1 fiscal year, if the allocation of funds among the schools or programs is delineated in the application for funds submitted to the Secretary under this section.

(f) FUNDING RULE.—Subject to subsection (g), of the amount appropriated to carry out this section for any fiscal year—

(1) the first $56,900,000 (or any lesser amount appropriated) shall be available only for the purposes of making grants to institutions or programs described in subparagraphs (A) through (R) of subsection (e)(1);

(2) any amount in excess of $56,900,000, but not in excess of $62,900,000, shall be available for the purpose of making grants to institutions or programs described in subparagraphs (S) [through (X)] *through (Y)* of subsection (e)(1); and

(3) any amount in excess of $62,900,000, shall be made available to each of the institutions or programs identified in subparagraphs (A) [through (X)] *through (Y)* pursuant to a formula developed by the Secretary that uses the following elements:

(A) The ability of the institution to match Federal funds with non-Federal funds.

(B) The number of students enrolled in the programs for which the eligible institution received funding under this section in the previous year.

(C) The average cost of education per student, for all full-time graduate or professional students (or the equiva-

lent) enrolled in the eligible professional or graduate school, or for doctoral students enrolled in the qualified graduate programs.

(D) The number of students in the previous year who received their first professional or doctoral degree from the programs for which the eligible institution received funding under this section in the previous year.

(E) The contribution, on a percent basis, of the programs for which the institution is eligible to receive funds under this section to the total number of African Americans receiving graduate or professional degrees in the professions or disciplines related to the programs for the previous year.

(g) HOLD HARMLESS RULE.—Notwithstanding paragraphs (2) and (3) of subsection (f), no institution or qualified program identified in subsection (e)(1) that received a grant for fiscal year 2008 and that is eligible to receive a grant in a subsequent fiscal year shall receive a grant amount in any such subsequent fiscal year that is less than the grant amount received for fiscal year 2008, unless the amount appropriated is not sufficient to provide such grant amounts to all such institutions and programs, or the institution cannot provide sufficient matching funds to meet the requirements of this section.

(h) INTERACTION WITH OTHER GRANT PROGRAMS.—No institution that is eligible for and receives an award under section 512, 723, [or 724] *724, 727, or 729* for a fiscal year shall be eligible to apply for a grant, or receive grant funds, under this section for the same fiscal year.

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PART D—HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

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SEC. 343. FEDERAL INSURANCE FOR BONDS.

(a) GENERAL RULE.—Subject to the limitations in section 344, the Secretary is authorized to enter into insurance agreements to provide financial insurance to guarantee the full payment of principal and interest on qualified bonds upon the conditions set forth in subsections (b), (c) and (d).

(b) RESPONSIBILITIES OF THE DESIGNATED BONDING AUTHORITY.—The Secretary may not enter into an insurance agreement described in subsection (a) unless the Secretary designates a qualified bonding authority in accordance with sections 345(1) and 346 and the designated bonding authority agrees in such agreement to—

(1) use the proceeds of the qualified bonds, less costs of issuance not to exceed 2 percent of the principal amount thereof, to make loans to eligible institutions or for deposit into [an escrow account] *a bond insurance fund* for repayment of the bonds;

(2) provide in each loan agreement with respect to a loan that not less than 95 percent of the proceeds of the loan will be used—

(A) to finance the repair, renovation, and, in exceptional cases, construction or acquisition, of a capital project; or

(B) to refinance an obligation the proceeds of which were used to finance the repair, renovation, and, in exceptional cases, construction or acquisition, of a capital project;

(3)(A) charge such interest on loans *(except that loans for the purpose of science, technology, engineering, or mathematics related academic facilities shall carry not more than a 1 percent rate of interest)*, and provide for such a schedule of repayments of loans, as will, upon the timely repayment of the loans, provide adequate and timely funds for the payment of principal and interest on the bonds; and

(B) require that any payment on a loan expected to be necessary to make a payment of principal and interest on the bonds be due not less than 60 days prior to the date of the payment on the bonds for which such loan payment is expected to be needed;

(4) prior to the making of any loan, provide for a credit review of the institution receiving the loan and assure the Secretary that, on the basis of such credit review, it is reasonable to anticipate that the institution receiving the loan will be able to repay the loan in a timely manner pursuant to the terms thereof;

(5) provide in each loan agreement with respect to a loan that, if a delinquency on such loan results in a funding under the insurance agreement, the institution obligated on such loan shall repay the Secretary, upon terms to be determined by the Secretary, for such funding;

(6) assign any loans to the Secretary, upon the demand of the Secretary, if a delinquency on such loan has required a funding under the insurance agreement;

(7) in the event of a delinquency on a loan, engage in such collection efforts as the Secretary shall require for a period of not less than 45 days prior to requesting a funding under the insurance agreement;

(8) establish ⟦an escrow account⟧ *a bond insurance fund*—

(A) into which each eligible institution shall deposit 5 percent of the proceeds of any loan made under this part, with each eligible institution required to maintain in ⟦the escrow account⟧ *the bond insurance fund* an amount equal to 5 percent of the outstanding principal of all loans made to such institution under this part; and

(B) the balance of which—

(i) shall be available to the Secretary to pay principal and interest on the bonds in the event of delinquency in loan repayment; and

(ii) shall be used to return to an eligible institution an amount equal to any remaining portion of such institution's 5 percent deposit of loan proceeds within 120 days following scheduled repayment of such institution's loan;

(9) provide in each loan agreement with respect to a loan that, if a delinquency on such loan results in amounts being withdrawn from the ⟦escrow account⟧ *bond insurance fund* to pay principal and interest on bonds, subsequent payments on

such loan shall be available to replenish such [escrow account] *bond insurance fund*;

(10) comply with the limitations set forth in section 344 of this part;

(11) make loans only to eligible institutions under this part in accordance with conditions prescribed by the Secretary to ensure that loans are fairly allocated among as many eligible institutions as possible, consistent with making loans of amounts that will permit capital projects of sufficient size and scope to significantly contribute to the educational program of the eligible institutions; and

(12) limit loan collateralization, with respect to any loan made under this part, to 100 percent of the loan amount[, except as otherwise required by the Secretary].

(c) ADDITIONAL AGREEMENT PROVISIONS.—Any insurance agreement described in subsection (a) of this section shall provide as follows:

(1) The payment of principal and interest on bonds shall be insured by the Secretary until such time as such bonds have been retired or canceled.

(2) The Federal liability for delinquencies and default for bonds guaranteed under this part shall only become effective upon the exhaustion of all the funds held in the [escrow account] *bond insurance fund* described in subsection (b)(8).

(3) The Secretary shall create a letter of credit authorizing the Department of the Treasury to disburse funds to the designated bonding authority or its assignee.

(4) The letter of credit shall be drawn upon in the amount determined by paragraph (5) of this subsection upon the certification of the designated bonding authority to the Secretary or the Secretary's designee that there is a delinquency on 1 or more loans and there are insufficient funds available from loan repayments and the [escrow account] *bond insurance fund* to make a scheduled payment of principal and interest on the bonds.

(5) Upon receipt by the Secretary or the Secretary's designee of the certification described in paragraph (4) of this subsection, the designated bonding authority may draw a funding under the letter of credit in an amount equal to—

(A) the amount required to make the next scheduled payment of principal and interest on the bonds, less

(B) the amount available to the designated bonding authority from loan repayments and the [escrow account] *bond insurance fund*.

(6) All funds provided under the letter of credit shall be paid to the designated bonding authority within 2 business days following receipt of the certification described in paragraph (4).

(d) FULL FAITH AND CREDIT PROVISIONS.—Subject to section 343(c)(1) the full faith and credit of the United States is pledged to the payment of all funds which may be required to be paid under the provisions of this section.

(e) SALE OF QUALIFIED BONDS.—Notwithstanding any other provision of law, a qualified bond guaranteed under this part may be sold to any party that offers terms that the Secretary determines are in the best interest of the eligible institution.

SEC. 344. LIMITATIONS ON FEDERAL INSURANCE FOR BONDS ISSUED BY THE DESIGNATED BONDING AUTHORITY.

(a) LIMIT ON AMOUNT.—At no time shall the aggregate principal amount of outstanding bonds insured under this part together with any accrued unpaid interest thereon exceed [$1,100,000,000] *$3,600,000,000*, of which—

(1) not more than [$733,333,333] *two-thirds* shall be used for loans to eligible institutions that are private historically Black colleges and universities; and

(2) not more than [$366,666,667] *one-third* shall be used for loans to eligible institutions which are historically Black public colleges and universities.

For purposes of paragraphs (1) and (2), Lincoln University of Pennsylvania is an historically Black public institution. No institution of higher education that has received assistance under section 8 of the Act of March 2, 1867 (20 U.S.C. 123) shall be eligible to receive assistance under this part.

(b) LIMITATION ON CREDIT AUTHORITY.—The authority of the Secretary to issue letters of credit and insurance under this part is effective only to the extent provided in advance by appropriations Acts.

(c) RELIGIOUS ACTIVITY PROHIBITION.—No loan may be made under this part for any educational program, activity or service related to sectarian instruction or religious worship or provided by a school or department of divinity or to an institution in which a substantial portion of its functions is subsumed in a religious mission.

(d) DISCRIMINATION PROHIBITION.—No loan may be made to an institution under this part if the institution discriminates on account of race, color, religion, national origin, sex (to the extent provided in title IX of the Education Amendments of 1972), or disabling condition; except that the prohibition with respect to religion shall not apply to an institution which is controlled by or which is closely identified with the tenets of a particular religious organization if the application of this section would not be consistent with the religious tenets of such organization.

SEC. 345. AUTHORITY OF THE SECRETARY.

In the performance of, and with respect to, the functions vested in the Secretary by this part, the Secretary—

(1) shall, within 120 days of the date of enactment of the Higher Education Opportunity Act, publish in the Federal Register a notice and request for proposals for any private for-profit organization or entity wishing to serve as the designated bonding authority under this part, which notice shall—

(A) specify the time and manner for submission of proposals; and

(B) specify any information, qualifications, criteria, or standards the Secretary determines to be necessary to evaluate the financial capacity and administrative capability of any applicant to carry out the responsibilities of the designated bonding authority under this part;

(2) shall ensure that—

(A) the selection process for the designated bonding authority is conducted on a competitive basis; and

(B) the evaluation and selection process is transparent;

(3) shall—

(A) review the performance of the designated bonding authority after the third year of the insurance agreement; and

(B) following the review described in subparagraph (A), implement a revised competitive selection process, if determined necessary by the Secretary in consultation with the Advisory Board established pursuant to section 347;

(4) shall require that the first loans for capital projects authorized under section 343 be made no later than March 31, 1994;

(5) may sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this part without regard to the amount in controversy, and any action instituted under this part without regard to the amount in controversy, and any action instituted under this section by or against the Secretary shall survive notwithstanding any change in the person occupying the office of the Secretary or any vacancy in such office;

(6)(A) may foreclose on any property and bid for and purchase at any foreclosure, or any other sale, any property in connection with which the Secretary has been assigned a loan pursuant to this part; and

(B) in the event of such an acquisition, notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property, except that—

(i) such action shall not preclude any other action by the Secretary to recover any deficiency in the amount of a loan assigned to the Secretary; and

(ii) any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

(7) may sell, exchange, or lease real or personal property and securities or obligations;

(8) may include in any contract such other covenants, conditions, or provisions necessary to ensure that the purposes of this part will be achieved;

[(9) may, directly or by grant or contract, provide technical assistance to eligible institutions to prepare the institutions to qualify, apply for, and maintain a capital improvement loan, including a loan under this part; and

[(10) not later than 120 days after the date of enactment of the Higher Education Opportunity Act, shall submit to the authorizing committees a report on the progress of the Department in implementing the recommendations made by the Government Accountability Office in October 2006 for improving the Historically Black College and Universities Capital Financing Program.**]**

(9) may, directly or by grant or contract, provide financial counseling and technical assistance to eligible institutions to prepare the institutions to qualify, apply for, and maintain a

capital improvement loan, including a loan under this part; and

(10) may provide for the modification or deferment of a loan made under this part based on need of the institution, as defined by the Secretary, for a period not to exceed 6 fiscal years, and, during the period of deferment of such a loan, interest on the loan will not accrue or be capitalized.

SEC. 347. HBCU CAPITAL FINANCING ADVISORY BOARD.

(a) ESTABLISHMENT AND PURPOSE.—There is established within the Department of Education, the Historically Black College and Universities Capital Financing Advisory Board (hereinafter in this part referred to as the "Advisory Board") which shall provide advice and counsel to the Secretary and the designated bonding authority as to the most effective and efficient means of implementing construction financing on African American college campuses, and advise the Congress of the United States regarding the progress made in implementing this part. The Advisory Board shall meet with the Secretary at least twice each year to advise him as to the capital needs of historically Black colleges and universities, how those needs can be met through the program authorized by this part, and what additional steps might be taken to improve the operation and implementation of the construction financing program.

(b) BOARD MEMBERSHIP.—

(1) COMPOSITION.—The Advisory Board shall be appointed by the Secretary and shall be composed of 11 members as follows:

(A) The Secretary or the Secretary's designee.

(B) Three members who are presidents of private historically Black colleges or universities.

(C) Three members who are presidents of public historically Black colleges or universities.

(D) The president of the United Negro College Fund, Inc., or the president's designee.

(E) The president of the National Association for Equal Opportunity in Higher Education, or the designee of the Association.

(F) The executive director of the White House Initiative on historically Black colleges and universities.

(G) The president of the Thurgood Marshall College Fund, or the designee of the president.

(2) TERMS.—The term of office of each member appointed under paragraphs (1)(B) and (1)(C) shall be 3 years, except that—

(A) of the members first appointed pursuant to paragraphs (1)(B) and (1)(C), 2 shall be appointed for terms of 1 year, and 3 shall be appointed for terms of 2 years;

(B) members appointed to fill a vacancy occurring before the expiration of a term of a member shall be appointed to serve the remainder of that term; and

(C) a member may continue to serve after the expiration of a term until a successor is appointed.

(c) ADDITIONAL RECOMMENDATIONS FROM ADVISORY BOARD.—

(1) IN GENERAL.—In addition to the responsibilities of the Advisory Board described in subsection (a), the Advisory Board shall advise the Secretary and the authorizing committees regarding—

(A) the fiscal status and strategic financial condition of not less than ten historically Black colleges and universities that have—

(i) obtained construction financing through the program under this part and seek additional financing or refinancing under such program; or

(ii) applied for construction financing through the program under this part but have not received financing under such program; and

(B) the feasibility of reducing borrowing costs associated with the program under this part, including reducing interest rates.

[(2) REPORT.—Not later than six months after the date of enactment of theHigher Education Opportunity Act, the Advisory Board shall prepare and submit a report to the authorizing committees regarding the historically Black colleges and universities described in paragraph (1)(A) that includes administrative and legislative recommendations for addressing the issues related to construction financing facing such historically Black colleges and universities.]

(2) REPORT.—On an annual basis, the Advisory Board shall prepare and submit to the authorizing committees a report on—

(A) the financial status of the historically Black colleges and universities described in paragraph (1)(A);

(B) an overview of all loans awarded under the program under this part, including the most recent loans awarded for the fiscal year in which the report is submitted; and

(C) administrative and legislative recommendations for addressing the issues related to construction financing facing historically Black colleges and universities.

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PART F—STRENGTHENING HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND OTHER MINORITY-SERVING INSTITUTIONS

SEC. 371. INVESTMENT IN HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND OTHER MINORITY-SERVING INSTITUTIONS.

(a) ELIGIBLE INSTITUTION.—An institution of higher education is eligible to receive funds from the amounts made available under this section if such institution is—

(1) a part B institution (as defined in section 322 (20 U.S.C. 1061));

(2) a Hispanic-serving institution (as defined in section 502 (20 U.S.C. 1101a));

(3) a Tribal College or University (as defined in section 316 (20 U.S.C. 1059c));

(4) an Alaska Native-serving institution or a Native Hawaiian-serving institution (as defined in section 317(b) (20 U.S.C. 1059d(b)));

(5) a Predominantly Black Institution (as defined in subsection (c));

(6) an Asian American and Native American Pacific Islander-serving institution (as defined in subsection (c)); or

(7) a Native American-serving nontribal institution (as defined in subsection (c)).

(b) NEW INVESTMENT OF FUNDS.—

(1) IN GENERAL.—

(A) PROVISION OF FUNDS.—There shall be available to the Secretary to carry out this section, from funds in the Treasury not otherwise [appropriated, $255,000,000 for each of the fiscal years 2008 through 2019] *appropriated, $300,000,000 for fiscal year 2021 and each succeeding fiscal year*. [The authority to award grants under this section shall expire at the end of fiscal year 2019.]

(B) AVAILABILITY.—Funds made available under subparagraph (A) for a fiscal year shall remain available for the next succeeding fiscal year.

(2) ALLOCATION AND ALLOTMENT.—

(A) IN GENERAL.—Of the amounts made available under paragraph (1) for each fiscal year—

(i) [$100,000,000] *$117,500,000* shall be available for allocation under subparagraph (B);

(ii) [$100,000,000] *$99,875,000* shall be available for allocation under subparagraph (C); [and]

(iii) $17,625,000 shall be available for allocation under subparagraph (D); and

[(iii)] *(iv)* [$55,000,000] *$65,000,000* shall be available for allocation under subparagraph [(D)]*(E)*.

(B) HSI STEM AND ARTICULATION PROGRAMS.—The amount made available for allocation under this subparagraph by subparagraph (A)(i) for any fiscal year shall be available for Hispanic-serving Institutions for activities described in section 503, with a priority given to applications that propose—

(i) to increase the number of Hispanic and other low income students attaining degrees in the fields of science, technology, engineering, or mathematics; and

(ii) to develop model transfer and articulation agreements between 2-year Hispanic-serving institutions and 4-year institutions in such fields.

[(C) ALLOCATION AND ALLOTMENT HBCUS AND PBIS.—From the amount made available for allocation under this subparagraph by subparagraph (A)(ii) for any fiscal year—

[(i) 85 percent shall be available to eligible institutions described in subsection (a)(1) and shall be made available as grants under section 323 and allotted among such institutions under section 324, treating such amount, plus the amount appropriated for such fiscal year in a regular or supplemental appropriation Act to carry out part B of this title, as the amount appropriated to carry out part B of this title for purposes of allotments under section 324, for use by such institutions with a priority for—

[(I) activities described in paragraphs (1), (2), (4), (5), and (10) of section 323(a); and

[(II) other activities, consistent with the institution's comprehensive plan and designed to increase the institution's capacity to prepare students for careers in the physical or natural sciences, mathematics, computer science or information technology or sciences, engineering, language instruction in the less-commonly taught languages or international affairs, or nursing or allied health professions; and

[(ii) 15 percent shall be available to eligible institutions described in subsection (a)(5) and shall be available for a competitive grant program to award 25 grants of $600,000 annually for programs in any of the following areas:

[(I) science, technology, engineering, or mathematics (STEM);

[(II) health education;

[(III) internationalization or globalization;

[(IV) teacher preparation; or

[(V) improving educational outcomes of African American males.]

(C) ALLOCATION AND ALLOTMENT HBCUS.—The amount made available for allocation under this subparagraph by subparagraph (A)(ii) for any fiscal year shall be available to eligible institutions described in subsection (a)(1) and shall be made available as grants under section 323 and allotted among such institutions under section 324, treating such amount, plus the amount appropriated for such fiscal year in a regular or supplemental appropriation Act to carry out part B of this title, as the amount appropriated to carry out part B of this title for purposes of allotments under section 324, for use by such institutions with a priority for—

(i) activities described in paragraphs (1), (2), (4), (5), and (10) of section 323(a); and

(ii) other activities, consistent with the institution's comprehensive plan and designed to increase the institution's capacity to prepare students for careers in the physical or natural sciences, mathematics, computer science or information technology or sciences, engineering, language instruction in the less-commonly taught languages or international affairs, or nursing or allied health professions.

(D) ALLOCATION AND ALLOTMENT PBIS.—The amount made available for allocation under this subparagraph by subparagraph (A)(iii) for any fiscal year shall be available to eligible institutions described in subsection (a)(5) and shall be available for a competitive grant program to award grants of $600,000 annually for programs in any of the following areas:

(i) science, technology, engineering, or mathematics (STEM);

(ii) health education;

(iii) internationalization or globalization;

(iv) teacher preparation; or

(v) improving educational outcomes of African American males.

[(D)] *(E)* ALLOCATION AND ALLOTMENT TO OTHER MINORITY-SERVING INSTITUTIONS.—From the amount made available for allocation under this subparagraph by subparagraph (A)(iii) for any fiscal year—

(i) [$30,000,000] *$35,000,000* for such fiscal year shall be available to eligible institutions described in subsection (a)(3) and shall be made available as grants under section 316, treating such [$30,000,000] *$35,000,000* as part of the amount appropriated for such fiscal year in a regular or supplemental appropriation Act to carry out such section, and using such [$30,000,000] *$35,000,000* for purposes described in subsection (c) of such section;

(ii) [$15,000,000] *$18,000,000* for such fiscal year shall be available to eligible institutions described in subsection (a)(4) and shall be made available as grants under section 317, treating such [$15,000,000] *$18,000,000* as part of the amount appropriated for such fiscal year in a regular or supplemental appropriation Act to carry out such section and using such [$15,000,000] *$18,000,000* for purposes described in subsection (c) of such section;

(iii) [$5,000,000] *$6,000,000* for such fiscal year shall be available to eligible institutions described in subsection (a)(6) for activities described in section 311(c); and

(iv) [$5,000,000] *$6,000,000* for such fiscal year shall be available to eligible institutions described in subsection (a)(7)—

(I) to plan, develop, undertake, and carry out activities to improve and expand such institutions' capacity to serve Native Americans, which may include—

(aa) the purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

(bb) renovation and improvement in classroom, library, laboratory, and other instructional facilities;

(cc) support of faculty exchanges, faculty development, and faculty fellowships to assist faculty in attaining advanced degrees in the faculty's field of instruction;

(dd) curriculum development and academic instruction;

(ee) the purchase of library books, periodicals, microfilm, and other educational materials;

(ff) funds and administrative management, and acquisition of equipment for use in strengthening funds management;

(gg) the joint use of facilities such as laboratories and libraries; and

(hh) academic tutoring and counseling programs and student support services; and

(II) to which the Secretary, to the extent possible and consistent with a competitive process under which such grants are awarded, allocates funds under this clause to ensure maximum and equitable distribution among all such eligible institutions.

(c) DEFINITIONS.—

(1) ASIAN AMERICAN.—The term "Asian American" has the meaning given the term "Asian" in the Office of Management and Budget's Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity as published on October 30, 1997 (62 Fed. Reg. 58789).

(2) ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTION.—The term "Asian American and Native American Pacific Islander-serving institution" means an institution of higher education that—

(A) is an eligible institution under section 312(b); and

(B) at the time of application, has an enrollment of undergraduate students that is at least 10 percent Asian American and Native American Pacific Islander students.

(3) ENROLLMENT OF NEEDY STUDENTS.—The term "enrollment of needy students" means the enrollment at an institution of higher education with respect to which not less than 50 percent of the undergraduate students enrolled in an academic program leading to a degree—

(A) in the second fiscal year preceding the fiscal year for which the determination is made, were Federal Pell Grant recipients for such year;

(B) come from families that receive benefits under a means-tested Federal benefit program (as defined in paragraph (5));

(C) attended a public or nonprofit private secondary school—

(i) that is in the school district of a local educational agency that was eligible for assistance under part A of title I of the Elementary and Secondary Education Act of 1965 for any year during which the student attended such secondary school; and

(ii) which for the purpose of this paragraph and for that year was determined by the Secretary (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children counted under a measure of poverty described in section 1113(a)(5) of such Act exceeds 30 percent of the total enrollment of such school; or

(D) are first-generation college students (as that term is defined in section 402A(h)), and a majority of such first-generation college students are low-income individuals.

(4) LOW-INCOME INDIVIDUAL.—The term "low-income individual" has the meaning given such term in section 402A(h).

(5) MEANS-TESTED FEDERAL BENEFIT PROGRAM.—The term "means-tested Federal benefit program" means a program of the Federal Government, other than a program under title IV, in which eligibility for the programs' benefits or the amount of such benefits are determined on the basis of income or resources of the individual or family seeking the benefit.

(6) NATIVE AMERICAN.—The term "Native American" means an individual who is of a tribe, people, or culture that is indigenous to the United States.

(7) NATIVE AMERICAN PACIFIC ISLANDER.—The term "Native American Pacific Islander" means any descendant of the aboriginal people of any island in the Pacific Ocean that is a territory or possession of the United States.

(8) NATIVE AMERICAN-SERVING NONTRIBAL INSTITUTION.—The term "Native American-serving nontribal institution" means an institution of higher education that—

(A) at the time of application—

(i) has an enrollment of undergraduate students that is not less than 10 percent Native American students; and

(ii) is not a Tribal College or University (as defined in section 316); and

(B) submits to the Secretary such enrollment data as may be necessary to demonstrate that the institution is described in subparagraph (A), along with such other information and data as the Secretary may by regulation require.

(9) PREDOMINANTLY BLACK INSTITUTION.—The term "Predominantly Black institution" means an institution of higher education that—

(A) has an enrollment of needy students as defined by paragraph (3);

(B) has an average educational and general expenditure which is low, per full-time equivalent undergraduate student in comparison with the average educational and general expenditure per full-time equivalent undergraduate student of institutions of higher education that offer similar instruction, except that the Secretary may apply the waiver requirements described in section 392(b) to this subparagraph in the same manner as the Secretary applies the waiver requirements to section 312(b)(1)(B);

(C) has an enrollment of undergraduate students—

(i) that is at least 40 percent Black American students;

(ii) that is at least 1,000 undergraduate students;

(iii) of which not less than 50 percent of the undergraduate students enrolled at the institution are low-income individuals or first-generation college students (as that term is defined in section 402A(h)); and

(iv) of which not less than 50 percent of the undergraduate students are enrolled in an educational program leading to a bachelor's or associate's degree that the institution is licensed to award by the State in which the institution is located;

(D) is legally authorized to provide, and provides within the State, an educational program for which the institution of higher education awards a bachelor's degree, or in the case of a junior or community college, an associate's degree;

(E) is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be a reliable authority as to the quality of training offered, or is, according to such an agency or association, making reasonable progress toward accreditation; and

(F) is not receiving assistance under—

(i) part B;

(ii) part A of title V; or

(iii) an annual authorization of appropriations under the Act of March 2, 1867 (14 Stat. 438; 20 U.S.C. 123).

PART G—GENERAL PROVISIONS

* * * * * * *

SEC. 399. AUTHORIZATIONS OF APPROPRIATIONS.

(a) AUTHORIZATIONS.—

(1) PART A.—(A) There are authorized to be appropriated to carry out part A (other than sections 316 through 320), **[**$135,000,000**]** *$150,000,000* for fiscal year **[**2009**]** *2021*, and such sums as may be necessary for each of the five succeeding fiscal years.

(B) There are authorized to be appropriated to carry out section 316, **[**$30,000,000**]** *$45,000,000* for fiscal year **[**2009**]** *2021*, and such sums as may be necessary for each of the five succeeding fiscal years.

(C) There are authorized to be appropriated to carry out section 317, **[**$15,000,000**]** *$25,000,000* for fiscal year **[**2009**]** *2021*, and such sums as may be necessary for each of the five succeeding fiscal years.

(D) There are authorized to be appropriated to carry out section 318, **[**$75,000,000**]** *$90,000,000* for fiscal year **[**2009**]** *2021* and each of the five succeeding fiscal years.

(E) There are authorized to be appropriated to carry out section 319, **[**$25,000,000**]** *$30,000,000* for fiscal year **[**2009**]** *2021*, and such sums as may be necessary for each of the five succeeding fiscal years.

(F) There are authorized to be appropriated to carry out section 320, **[**$30,000,000**]** *$60,000,000* for fiscal year **[**2009**]** *2021*, and such sums as may be necessary for each of the five succeeding fiscal years.

(2) PART B.—(A) There are authorized to be appropriated to carry out part B (other than section 326), **[**$375,000,000**]** *$400,000,000* for fiscal year **[**2009**]** *2021*, and such sums as may be necessary for each of the five succeeding fiscal years.

(B) There are authorized to be appropriated to carry out section 326, **[**$125,000,000**]** *$135,000,000* for fiscal year **[**2009**]** *2021*, and such sums as may be necessary for each of the five succeeding fiscal years.

(3) PART C.—There are authorized to be appropriated to carry out part C, **[**$10,000,000**]** *$220,000,000* for fiscal year

[2009] *2021*, and such sums as may be necessary for each of the five succeeding fiscal years.

(4) PART D.—(A) There are authorized to be appropriated to carry out part D (other than section 345(9), but including section 347), [$185,000] *$225,000* for fiscal year [2009] *2021*, and such sums as may be necessary for each of the five succeeding fiscal years.

(B) There are authorized to be appropriated to carry out section 345(9) such sums as may be necessary for fiscal year [2009] *2021* and each of the five succeeding fiscal years.

(5) PART E.—(A) There are authorized to be appropriated to carry out subpart 1 of part E, $12,000,000 for fiscal year [2009] *2021*, and such sums as may be necessary for each of the five succeeding fiscal years.

(B) There are authorized to be appropriated to carry out subpart 2 of part E, such sums as may be necessary for fiscal year [2009] *2021* and each of the five succeeding fiscal years.

(b) USE OF MULTIPLE YEAR AWARDS.—In the event of a multiple year award to any institution under this title, the Secretary shall make funds available for such award from funds appropriated for this title for the fiscal year in which such funds are to be used by the recipient.

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TITLE IV—STUDENT ASSISTANCE

PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION

* * * * * * *

Subpart 1—Federal Pell Grants

SEC. 401. FEDERAL PELL GRANTS: AMOUNT AND DETERMINATIONS; APPLICATIONS.

(a) PROGRAM AUTHORITY AND METHOD OF DISTRIBUTION.—(1) For each fiscal year [through fiscal year 2017], the Secretary shall pay to each eligible institution such sums as may be necessary to pay to each eligible student (defined in accordance with section 484) for each academic year during which that student is in attendance at an institution of higher education, as an undergraduate *or as a postbaccalaureate in accordance with subsection (c)(1)(B)*, a Federal Pell Grant in the amount for which that student is eligible, as determined pursuant to subsection (b). Not less than 85 percent of such sums shall be advanced to eligible institutions prior to the start of each payment period and shall be based upon an amount requested by the institution as needed to pay eligible students until such time as the Secretary determines and publishes in the Federal Register with an opportunity for comment, an alternative payment system that provides payments to institutions in an accurate and timely manner, except that this sentence shall not be construed to limit the authority of the Secretary to place an institution on a reimbursement system of payment.

(2) Nothing in this section shall be interpreted to prohibit the Secretary from paying directly to students, in advance of the begin-

ning of the academic term, an amount for which they are eligible, in cases where the eligible institution elects not to participate in the disbursement system required by paragraph (1).

(3) Grants made under this subpart shall be known as "Federal Pell Grants".

(b) PURPOSE AND AMOUNT OF GRANTS.—(1) The purpose of this subpart is to provide a Federal Pell Grant that in combination with reasonable family and student contribution and supplemented by the programs authorized under subparts 3 and 4 of this part, will meet at least 75 percent of a student's cost of attendance (as defined in section 472), unless the institution determines that a greater amount of assistance would better serve the purposes of this section.

(2)

(A) The amount of the Federal Pell Grant for a student eligible under this part shall be—

(i) the maximum Federal Pell Grant, as specified in the last enacted appropriation Act applicable to that award year, plus

(ii) the amount of the increase calculated under **[**paragraph (7)(B)**]** *paragraph (6)(B)* for that year, less

(iii) an amount equal to the amount determined to be the expected family contribution with respect to that student for that year.

(B) In any case where a student attends an institution of higher education on less than a full-time basis (including a student who attends an institution of higher education on less than a half-time basis) during any academic year, the amount of the Federal Pell Grant to which that student is entitled shall be reduced in proportion to the degree to which that student is not so attending on a full-time basis, in accordance with a schedule of reductions established by the Secretary for the purposes of this division, computed in accordance with this subpart. Such schedule of reductions shall be established by regulation and published in the Federal Register in accordance with section 482 of this Act.

(3) No Federal Pell Grant under this subpart shall exceed the difference between the expected family contribution for a student and the cost of attendance (as defined in section 472) at the institution at which that student is in attendance. If, with respect to any student, it is determined that the amount of a Federal Pell Grant plus the amount of the expected family contribution for that student exceeds the cost of attendance for that year, the amount of the Federal Pell Grant shall be reduced until the combination of expected family contribution and the amount of the Federal Pell Grant does not exceed the cost of attendance at such institution.

(4) No Federal Pell Grant shall be awarded to a student under this subpart if the amount of that grant for that student as determined under this subsection for any academic year is less than ten percent of the maximum amount of a Federal Pell Grant award determined under paragraph (2)(A) for such academic year.

(5) Notwithstanding any other provision of this subpart, the Secretary shall allow the amount of the Federal Pell Grant to be exceeded for students participating in a program of study abroad approved for credit by the institution at which the student is enrolled when the reasonable costs of such program are greater than the

cost of attendance at the student's home institution, except that the amount of such Federal Pell Grant in any fiscal year shall not exceed the maximum amount of a Federal Pell Grant award determined under paragraph (2)(A), for which a student is eligible during such award year. If the preceding sentence applies, the financial aid administrator at the home institution may use the cost of the study abroad program, rather than the home institution's cost, to determine the cost of attendance of the student.

[(6) No Federal Pell Grant shall be awarded under this subpart to any individual who is incarcerated in any Federal or State penal institution or who is subject to an involuntary civil commitment upon completion of a period of incarceration for a forcible or nonforcible sexual offense (as determined in accordance with the Federal Bureau of Investigation's Uniform Crime Reporting Program).]

[(7)] *(6)* ADDITIONAL FUNDS.—

(A) IN GENERAL.—There are authorized to be appropriated, and there are appropriated (in addition to any other amounts appropriated to carry out this section and out of any money in the Treasury not otherwise appropriated) the following amounts—

(i) $2,030,000,000 for fiscal year 2008;

(ii) $2,090,000,000 for fiscal year 2009;

(iii) to carry out subparagraph (B) of this paragraph, such sums as may be necessary for fiscal year 2010 and each subsequent fiscal year to provide the amount of increase of the maximum Federal Pell Grant required by clauses (ii) and (iii) of subparagraph (B); and

(iv) to carry out this section—

(I) $13,500,000,000 for fiscal year 2011;

(II) $13,795,000,000 for fiscal year 2012;

(III) $7,587,000,000 for fiscal year 2013;

(IV) $588,000,000 for fiscal year 2014;

(V) $0 for fiscal year 2015;

(VI) $0 for fiscal year 2016;

(VII) $1,320,000,000 for fiscal year 2017;

(VIII) $1,334,000,000 for fiscal year 2018;

(IX) $1,370,000,000 for fiscal year 2019;

(X) $1,430,000,000 for fiscal year 2020; and

(XI) $1,145,000,000 for fiscal year 2021 and each succeeding fiscal year.

(B) INCREASE IN FEDERAL PELL GRANTS.—The amounts made available pursuant to clauses (i) through (iii) of subparagraph (A) of this paragraph shall be used to increase the amount of the maximum Federal Pell Grant for which a student shall be eligible during an award year, as specified in the last enacted appropriation Act applicable to that award year, by—

(i) $490 for each of the award years 2008–2009 and 2009–2010;

(ii) $690 for each of the award years 2010–2011, 2011–2012, and 2012–2013; and

(iii) the amount determined under subparagraph (C) for each succeeding award year.

(C) ADJUSTMENT AMOUNTS.—

(i) AWARD YEAR 2013–2014.—For award year 2013–2014, the amount determined under this subparagraph for purposes of subparagraph (B)(iii) shall be equal to—

(I) $5,550 or the total maximum Federal Pell Grant for the preceding award year (as determined under clause (iv)(II)), whichever is greater, increased by a percentage equal to the annual adjustment percentage for award year 2013–2014, reduced by

(II) $4,860 or the maximum Federal Pell Grant for which a student was eligible for the preceding award year, as specified in the last enacted appropriation Act applicable to that year, whichever is greater; and

(III) rounded to the nearest $5.

(ii) AWARD YEARS 2014–2015 THROUGH 2017–2018.—For each of the award years 2014–2015 through 2017–2018, the amount determined under this subparagraph for purposes of subparagraph (B)(iii) shall be equal to—

(I) the total maximum Federal Pell Grant for the preceding award year (as determined under clause (iv)(II)), increased by a percentage equal to the annual adjustment percentage for the award year for which the amount under this subparagraph is being determined, reduced by

(II) $4,860 or the maximum Federal Pell Grant for which a student was eligible for the preceding award year, as specified in the last enacted appropriation Act applicable to that year, whichever is greater; and

(III) rounded to the nearest $5.

[(iii) SUBSEQUENT AWARD YEARS.—For award year 2018–2019 and each subsequent award year, the amount determined under this subparagraph for purposes of subparagraph (B)(iii) shall be equal to the amount determined under clause (ii) for award year 2017–2018.]

(iii) SUBSEQUENT AWARD YEARS.—

(I) AWARD YEARS 2018–2019, 2019–2020 AND 2020–2021.—For each of the award years 2018–2019, 2019–2020, and 2020–2021 the amount determined under this subparagraph for purposes of subparagraph (B)(iii) shall be equal to the amount determined under clause (ii) for award year 2017–2018.

(II) AWARD YEAR 2021–2022.—For award year 2021–2022, the amount determined under this subparagraph for purposes of subparagraph (B)(iii) shall be equal to—

(aa) $6,195 or the total maximum Federal Pell Grant for the preceding award year (as determined under clause (iv)(II)), whichever is greater, increased by $625; reduced by

(bb) $5,135 or the maximum Federal Pell Grant for which a student was eligible for the preceding award year, as specified in the last enacted appropriation Act applicable to that year, whichever is greater, and

(cc) rounded to the neared $5.

(III) AWARD YEAR 2022–2023 AND EACH SUBSEQUENT AWARD YEAR.—For award year 2022–2023 and each subsequent award year, the amount determined under this subparagraph for purposes of subparagraph (B)(iii) shall be equal to—

(aa) $6,820 or the total maximum Federal Pell Grant for the preceding award year (as determined under clause (iv)(II)), whichever is greater, increased by a percentage equal to the annual adjustment percentage for the award year for which the amount under this subparagraph is being determined; reduced by

(bb) $5,135 or the maximum Federal Pell Grant for which a student was eligible for the preceding award year, as specified in the last enacted appropriation Act applicable to that year, whichever is greater; and

(cc) rounded to the nearest $5.

(iv) DEFINITIONS.—For purposes of this subparagraph—

(I) the term "annual adjustment percentage" as applied to an award year, is equal to the estimated percentage change in the Consumer Price Index (as determined by the Secretary, using the definition in section 478(f)) for the most recent calendar year ending prior to the beginning of that award year; and

(II) the term "total maximum Federal Pell Grant" as applied to a preceding award year, is equal to the sum of—

(aa) the maximum Federal Pell Grant for which a student is eligible during an award year, as specified in the last enacted appropriation Act applicable to that preceding award year; and

(bb) the amount of the increase in the maximum Federal Pell Grant required by this paragraph for that preceding award year.

(D) PROGRAM REQUIREMENTS AND OPERATIONS OTHERWISE UNAFFECTED.—Except as provided in subparagraphs (B) and (C), nothing in this paragraph shall be construed to alter the requirements and operations of the Federal Pell Grant Program as authorized under this section, or authorize the imposition of additional requirements or operations for the determination and allocation of Federal Pell Grants under this section.

(E) RATABLE INCREASES AND DECREASES.—The amounts specified in subparagraph (B) shall be ratably increased or decreased to the extent that funds available under sub-

paragraph (A) exceed or are less than (respectively) the amount required to provide the amounts specified in subparagraph (B).

(F) AVAILABILITY OF FUNDS.—The amounts made available by subparagraph (A) for any fiscal year shall be available beginning on October 1 of that fiscal year, and shall remain available through September 30 of the succeeding fiscal year.

(8)(A) Effective in the 2017–2018 award year and thereafter, the Secretary shall award an eligible student not more than one and one-half Federal Pell Grants during a single award year to permit such student to work toward completion of an eligible program if, during that single award year, the student—

(i) has received a Federal Pell Grant for an award year and is enrolled in an eligible program for one or more additional payment periods during the same award year that are not otherwise fully covered by the student's Federal Pell Grant; and

(ii) is enrolled on at least a half-time basis while receiving any funds under this section.

(B) In the case of a student receiving more than one Federal Pell Grant in a single award year under subparagraph (A), the total amount of Federal Pell Grants awarded to such student for the award year may exceed the maximum basic grant level specified in the appropriate appropriations Act for such award year.

(C) Any period of study covered by a Federal Pell Grant awarded under subparagraph (A) shall be included in determining a student's duration limit under subsection (c)(5).

(D) In any case where an eligible student is receiving a Federal Pell Grant for a payment period that spans two award years, the Secretary shall allow the eligible institution in which the student is enrolled to determine the award year to which the additional period shall be assigned, as it determines is most beneficial to students.

(c) PERIOD OF ELIGIBILITY FOR GRANTS.—**[**(1) The period during which a student may receive Federal Pell Grants shall be the period required for the completion of the first undergraduate baccalaureate course of study being pursued by that student at the institution at which the student is in attendance except that any period during which the student is enrolled in a noncredit or remedial course of study as defined in paragraph (2) shall not be counted for the purpose of this paragraph.**]**

(1) PERIOD OF ELIGIBILITY FOR GRANTS.—The period during which a student may receive Federal Pell Grants shall be the period required for the completion of the first undergraduate baccalaureate course of study being pursued by that student at the institution at which the student is in attendance except that—

(A) any period during which the student is enrolled in a noncredit or remedial course of study as defined in paragraph (2) shall not be counted for the purpose of this paragraph; and

(B) the period during which a student may receive Federal Pell Grants shall also include the period required for the completion of the first postbaccalaureate course of study at an eligible institution that meets the definition of institution of higher education in section 101, in a case in which—

(i) the student received a Federal Pell Grant during the period required for the completion of the student's first undergraduate baccalaureate course of study for fewer than 14 semesters, or the equivalent of fewer than 14 semesters, as determined under paragraph (5);

(ii) the student would otherwise be eligible for a Federal Pell Grant, but for the completion of such baccalaureate course of study; and

(iii) the period during which the student receives Federal Pell Grants does not exceed the student's duration limits under paragraph (5).

(2) Nothing in this section shall exclude from eligibility courses of study which are noncredit or remedial in nature (including courses in English language instruction) which are determined by the institution to be necessary to help the student be prepared for the pursuit of a first undergraduate baccalaureate degree or certificate or, in the case of courses in English language instruction, to be necessary to enable the student to utilize already existing knowledge, training, or skills. Nothing in this section shall exclude from eligibility programs of study abroad that are approved for credit by the home institution at which the student is enrolled.

(3) No student is entitled to receive Pell Grant payments concurrently from more than one institution or from the Secretary and an institution.

(4) Notwithstanding paragraph (1), the Secretary may allow, on a case-by-case basis, a student to receive a basic grant if the student—

(A) is carrying at least one-half the normal full-time work load for the course of study the student is pursuing, as determined by the institution of higher education; and

(B) is enrolled or accepted for enrollment in a postbaccalaureate program that does not lead to a graduate degree, and in courses required by a State in order for the student to receive a professional certification or licensing credential that is required for employment as a teacher in an elementary school or secondary school in that State,

except that this paragraph shall not apply to a student who is enrolled in an institution of higher education that offers a baccalaureate degree in education.

(5) *MAXIMUM PERIOD.*—.—

(A) IN GENERAL.—**[**The period**]** *Except as provided in subparagraph (B), the period* during which a student may receive Federal Pell Grants shall not exceed **[**12**]** *14* semesters, or the equivalent of **[**12**]** *14* semesters, as determined by the Secretary by regulation. Such regulations shall provide, with respect to a student who received a Federal Pell Grant for a term but was enrolled at a fraction of full-time, that only that same fraction of such semester or equivalent shall count towards such duration limits.

(B) EXCEPTION.—

(i) IN GENERAL.—Any Federal Pell Grant that a student received during a period described in subclause (I) or (II) of clause (ii) shall not count toward the student's duration limits under this paragraph.

(ii) APPLICABLE PERIODS.—Clause (i) shall apply with respect to any Federal Pell Grant awarded to a student to attend an institution—

(I) during a period—

(aa) for which the student received a loan under this title; and

(bb) for which the loan described in item (aa) is forgiven under—

(AA) section 437(c)(1) or 464(g)(1) due to the closing of the institution;

(BB) section 493H due to the student's successful assertion of a defense to repayment of the loan; or

(CC) section 432(a)(6), section 685.215 of title 34, Code of Federal Regulations (or a successor regulation), or any other loan forgiveness provision or regulation under this Act, as a result of a determination by the Secretary or a court that the institution committed fraud or other misconduct; or

(II) during a period for which the student did not receive a loan under this title but for which, if the student had received such a loan, the student would have qualified for loan forgiveness under subclause (I)(bb).

(d) APPLICATIONS FOR GRANTS.—(1) The Secretary shall from time to time set dates by which students shall file applications for Federal Pell Grants under this subpart.

(2) Each student desiring a Federal Pell Grant for any year shall file an application therefor containing such information and assurances as the Secretary may deem necessary to enable the Secretary to carry out the functions and responsibilities of this subpart.

(e) DISTRIBUTION OF GRANTS TO STUDENTS.—Payments under this section shall be made in accordance with regulations promulgated by the Secretary for such purpose, in such manner as will best accomplish the purpose of this section. Any disbursement allowed to be made by crediting the student's account shall be limited to tuition and fees and, in the case of institutionally owned housing, room and board. The student may elect to have the institution provide other such goods and services by crediting the student's account.

(f) CALCULATION OF ELIGIBILITY.—(1) [Each contractor processing applications for awards under this subpart (including a central processor, if any, designated by the Secretary) shall, in a timely manner, furnish to the student financial aid administrator (at each institution of higher education which a student awarded a Federal Pell Grant under this subpart is attending), as a part of its regular output document, the expected family contribution for each such student. Each such student financial aid administrator shall—] *After receiving an application for a Federal Pell Grant under this subpart, the Secretary (including any contractor of the Secretary*

processing applications for Federal Pell Grants under this subpart) shall, in a timely manner, furnish to the student financial aid administrator at each institution of higher education that a student awarded a Federal Pell Grant under this subpart is attending, the expected family contribution for each such student. Each such student financial administrator shall—

(A) examine and assess the data used to calculate the expected family contribution of the student furnished pursuant to this subsection;

(B) recalculate the expected family contribution of the student if there has been a change in circumstances of the student or in the data submitted;

(C) make the award to the student in the correct amount; and

(D) after making such award report the corrected data to such contractor and to a central processor (if any) designated by the Secretary for a confirmation of the correct computation of amount of the expected family contribution for each such student.

(2) Whenever a student receives an award under this subpart that, due to recalculation errors by the institution of higher education, is in excess of the amount which the student is entitled to receive under this subpart, such institution of higher education shall pay to the Secretary the amount of such excess unless such excess can be resolved in a subsequent disbursement to the institution.

(3) Each contractor processing applications for awards under this subpart shall for each academic year ⟦after academic year 1986–1987⟧ prepare and submit a report to the Secretary on the correctness of the computations of amount of the expected family contribution, and on the accuracy of the questions on the application form under this subpart for the previous academic year for which the contractor is responsible. The Secretary shall transmit the report, together with the comments and recommendations of the Secretary, to the Committee on Appropriations of the Senate, the Committee on Appropriations of the House of Representatives, and the authorizing committees.

(g) INSUFFICIENT APPROPRIATIONS.—If, for any fiscal year, the funds appropriated for payments under this subpart are insufficient to satisfy fully all entitlements, as calculated under subsection (b) (but at the maximum grant level specified in such appropriation), the Secretary shall promptly transmit a notice of such insufficiency to each House of the Congress, and identify in such notice the additional amount that would be required to be appropriated to satisfy fully all entitlements (as so calculated at such maximum grant level).

(h) USE OF EXCESS FUNDS.—(1) If, at the end of a fiscal year, the funds available for making payments under this subpart exceed the amount necessary to make the payments required under this subpart to eligible students by 15 percent or less, then all of the excess funds shall remain available for making payments under this subpart during the next succeeding fiscal year.

(2) If, at the end of a fiscal year, the funds available for making payments under this subpart exceed the amount necessary to make the payments required under this subpart to eligible students by

more than 15 percent, then all of such funds shall remain available for making such payments but payments may be made under this paragraph only with respect to entitlements for that fiscal year.

(i) TREATMENT OF INSTITUTIONS AND STUDENTS UNDER OTHER LAWS.—Any institution of higher education which enters into an agreement with the Secretary to disburse to students attending that institution the amounts those students are eligible to receive under this subpart shall not be deemed, by virtue of such agreement, a contractor maintaining a system of records to accomplish a function of the Secretary. Recipients of Pell Grants shall not be considered to be individual grantees for purposes of subtitle D of title V of Public Law 100–690.

(j) INSTITUTIONAL INELIGIBILITY BASED ON DEFAULT RATES.—

(1) IN GENERAL.—No institution of higher education shall be an eligible institution for purposes of this subpart if such institution of higher education is ineligible to participate in a loan program under part B or D as a result of a final default rate determination made by the Secretary under part B or D after the final publication of cohort default rates for fiscal year 1996 or a succeeding fiscal year*, or if such institution of higher education is subject to an ineligibility determination under section 435(a)(9) or 493I(b)*.

(2) SANCTIONS SUBJECT TO APPEAL OPPORTUNITY.—No institution may be subject to the terms of this subsection unless the institution has had the opportunity to appeal the institution's default rate*, final adjusted cohort default rate, or on-time repayment rate* determination under regulations issued by the Secretary for the loan program authorized under part B or D, as applicable. This subsection shall not apply to an institution that was not participating in the loan program authorized under part B or D on the date of enactment of the Higher Education Amendments of 1998, unless the institution subsequently participates in the loan programs.

(k) JOB TRAINING FEDERAL PELL GRANT PROGRAM.—

(1) IN GENERAL.—For the award year beginning on July 1, 2021, and each subsequent award year, the Secretary shall carry out a program through which the Secretary shall award job training Federal Pell Grants to students in eligible job training programs approved by the Secretary in accordance with paragraph (4).

(2) TERMS AND CONDITIONS.—Each job training Federal Pell Grant awarded under this subsection shall have the same terms and conditions, and be awarded in the same manner, as a Federal Pell Grant awarded under subsection (a), except as follows:

(A) A student who is eligible to receive a job training Federal Pell Grant under this subsection is a student who—

(i) has not yet attained a postbaccalaureate degree; and

(ii) is enrolled, or accepted for enrollment, in an eligible job training program at an institution of higher education.

(B) The amount of a job training Federal Pell Grant for an eligible student shall be determined under subsection (b), except that subsection (b)(4) shall not apply.

(3) TREATMENT OF JOB TRAINING FEDERAL PELL GRANT.—

(A) INCLUSION IN TOTAL ELIGIBILITY PERIOD.—The period during which a student received a job training Federal Pell Grant under this subsection shall be included in calculating the duration limits with respect to such student under subsection (c)(5) and to the extent that such period was a fraction of a semester or the equivalent, only that same fraction of such semester or equivalent shall count towards such duration limits.

(B) PREVENTION OF DOUBLE BENEFITS.—No student may for the same payment period receive both a job training Federal Pell Grant under this subsection and a Federal Pell Grant under subsection (a).

(4) APPROVAL OF ELIGIBLE JOB TRAINING PROGRAMS.—

(A) ELIGIBLE JOB TRAINING PROGRAM.—An eligible job training program shall be a career and technical education program at an institution of higher education that the Secretary determines meets the following requirements:

(i) The job training program provides not less than 150, and less than 600, clock hours of instructional time over a period of not less than 8, and less than 15, weeks.

(ii) The job training program provides training aligned with the requirements of high-skill, high-wage, or in-demand industry sectors or occupations in the State or local area in which the job training program is provided, as determined by an industry or sector partnership in such State or local area.

(iii) The job training program has been determined by the institution of higher education and by such industry or sector partnership to provide academic content, an amount of instructional time, and a recognized postsecondary credential that are sufficient to—

(I) meet the hiring requirements of potential employers in the sectors or occupations described in clause (ii); and

(II) satisfy any applicable educational prerequisite requirement for professional license or certification, so that a student who completes the program and seeks employment is qualified to take any licensure or certification examination needed to practice or find employment in such sectors or occupations.

(iv) The job training program prepares students to pursue related certificate or degree programs at an institution of higher education, including—

(I) by ensuring the acceptability of the credits received under the job training program toward meeting such certificate or degree program requirements (such as through an articulation agreement); and

(II) by ensuring that a student who completes noncredit coursework in the job training program, upon completion of the job training program and enrollment in such a related certificate or degree

program, will receive academic credit for such non-credit coursework that will be accepted toward meeting such certificate or degree program requirements.

(v) The job training program provides to the Secretary the annual earnings expected to be paid in the sectors or occupations for which the program provides training not later than 6 months after completion of such program (in this subsection referred to as the "expected earnings"), as such earnings are determined by an industry or sector partnership in the State or local area in which the program is provided, and which shall be—

(I) greater than the average or median annual earnings paid to individuals with only a high school diploma (or the equivalent) based on the most recently available data from the Bureau of Labor Statistics or the Bureau of the Census with respect to such State or local area, or the Nation as a whole, as selected by such program;

(II) validated by the Secretary; and

(III) used to review the job training program under subparagraph (C).

(vi) The job training program is part of a career pathway, and includes counseling for students to—

(I) support each such student in achieving the student's education and career goals; and

(II) ensure that each such student receives information on—

(aa) the sectors or occupations described in clause (ii) for which the job training program provides training (including the expected earnings to be paid, and, if available, the mean and median earnings (described in subparagraph (C)(ii)) paid, in such sectors or occupations)); and

(bb) the related certificate or degree programs described in clause (iv) for which the job training program provides preparation.

(vii) The job training program meets the requirements under section 104 that are applicable to a program of training to prepare students for gainful employment in a recognized occupation.

(viii) The job training program does not exceed by more than 50 percent the minimum number of clock hours required by a State to receive a professional license or certification in the State.

(ix) The job training program is provided by an institution of higher education that—

(I) is approved by an accrediting agency or association that meets the requirements of section 496(a)(4)(C);

(II) during the preceding 5 years, has not been subject to any adverse actions or negative actions by the accrediting agency or association of the in-

stitution, State or Federal enforcement agencies, or the Secretary;

(III) is listed on the provider list under section 122(d) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(d)); and

(IV) has a designated official responsible for engaging with the workforce development system in the State or local area in which the job training program is provided.

(x) The job training program has a verified completion rate and a verified annual earnings rate that meets the requirements of clauses (i) and (iii) of section 481(b)(2)(A), respectively, and satisfies the criteria described in clause (v) of such section.

(xi) The State board representing the State in which the job training program is provided certifies to the Secretary that the program meets the requirements of clauses (ii), (viii), and (ix)(III).

(B) INITIAL APPROVAL BY THE SECRETARY.—Not later than 180 days after the date on which a job training program is submitted for approval under this subparagraph, the Secretary shall make a determination as to whether such job training program is an eligible job training program in accordance with subparagraph (A).

(C) REVIEW OF APPROVAL.—

(i) IN GENERAL.—Not later than 3 years after the date an eligible job training program is approved under subparagraph (B), and not less than once every 3 years thereafter, the Secretary shall, using the data collected under paragraph (5) and such other information as the Secretary may require, determine whether such job training program continues to meet the requirements of subparagraph (A).

(ii) REQUIREMENTS.—Subject to clause (iii), a determination under clause (i) that a job training program continues to meet the requirements of subparagraph (A) shall, at a minimum, require the Secretary to determine that the mean or median earnings (whichever is higher) paid to students not later than 6 months after completing such program is equal to or greater than the expected earnings of the program.

(iii) EXCEPTION AND APPEALS.—

(I) EXCEPTION.—The Secretary may extend, by not more than an additional 6 months, the period by when, after completion of the job training program, the mean or median earnings (whichever is higher) paid to students meets the requirements of clause (ii), in a case in which the job training program requesting such extension provides sufficient justification for such extension (as determined by the Secretary).

(II) APPEALS.—Not later than 60 days after receiving notification from the Secretary of the loss of eligibility resulting from the review under subparagraph (C), a job training program may appeal

any loss of eligibility under this subparagraph by demonstrating extenuating circumstances.

(III) SECRETARIAL REQUIREMENTS.—The Secretary shall issue a decision on any appeal submitted by a job training program under subclause (II) not later than 45 days after its submission.

(5) DATA COLLECTION.—Using the postsecondary student data system established under section 132(l) or a successor system (whichever includes the most recent data) to streamline reporting requirements and minimize reporting burdens, and in coordination with the National Center for Education Statistics, the Secretary of Labor, and each institution of higher education offering an eligible job training program under this subsection, the Secretary shall, on at least an annual basis, collect data with respect to each such eligible job training program, including the following:

(A) The number and demographics of students who enroll in the program.

(B) The number of credits attempted and accumulated annually by students enrolled in the program.

(C) The share of such students who cease enrollment on or before the completion of 60 percent of the payment period or period of enrollment.

(D) The verified completion rate and the verified annual earnings rate described in clauses (i) and (iii) of section 481(b)(2)(A), respectively, for the program.

(E) The number and demographics of—

(i) students who complete the program; and

(ii) students who do not complete the program.

(F) The outcomes of the students who complete the program, including—

(i) the share of such students who continue enrollment at the institution of higher education offering the program;

(ii) the share of such students who transfer to another institution of higher education;

(iii) the share of such students who complete a subsequent certificate or degree program;

(iv) the share of such students who secure employment 6 months and 1 year, respectively—

(I) after completion of such program; or

(II) in the case of a program that prepares students for a professional license or certification exam, after acquiring such license or certification;

(v) the expected earnings in the sectors or occupations for which the program provides training;

(vi) the mean and median earnings paid in such sectors or occupations to such students not later than 6 months after completing such program (as described in paragraph (4)(C)(ii)); and

(vii) in the case of a job training program that prepares students for a professional license or certification exams, the share of such students who pass such exams.

(6) TITLE OF JOB TRAINING FEDERAL PELL GRANT.—Grants made under this subsection shall be known as "job training Federal Pell Grants".

(7) DEFINITIONS.—In this subsection:

(A) ARTICULATION AGREEMENT.—The term "articulation agreement" has the meaning given the term in section 486A.

(B) CAREER AND TECHNICAL EDUCATION.—The term "career and technical education" has the meaning given the term in section 3 of the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2302).

(C) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" means an eligible institution for purposes of this subpart that is an institution of higher education (as defined in section 101) or a postsecondary vocational institution (as defined in section 102(c)).

(D) WIOA DEFINITIONS.—The terms "career pathway", "industry or sector partnership", "in-demand industry sector or occupation", "recognized postsecondary credential", "State board", and "workforce development system" have the meanings given such terms in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(l) SCHOLARSHIPS FOR VETERAN'S DEPENDENTS.—

(1) DEFINITION OF ELIGIBLE VETERAN'S DEPENDENT.—In this subsection, the term "eligible veteran's dependent" means a dependent or an independent student—

(A) whose parent or guardian was a member of the Armed Forces of the United States and died as a result of performing military service in Iraq or Afghanistan after September 11, 2001; and

(B) who, at the time of the parent or guardian's death, was—

(i) less than 24 years of age; or

(ii) enrolled at an institution of higher education on a part-time or full-time basis.

(2) GRANTS.—

(A) IN GENERAL.—The Secretary shall award a Federal Pell Grant, as modified in accordance with the requirements of this subsection, to each eligible veteran's dependent to assist in paying the eligible veteran's dependent's cost of attendance at an institution of higher education.

(B) DESIGNATION.—Federal Pell Grants made under this subsection may be known as "Iraq and Afghanistan Service Grants".

(3) PREVENTION OF DOUBLE BENEFITS.—No eligible veteran's dependent may receive a grant under both this subsection and subsection (a) or (k).

(4) TERMS AND CONDITIONS.—The Secretary shall award Iraq and Afghanistan Service Grants under this subsection in the same manner and with the same terms and conditions, including the length of the period of eligibility, as the Secretary awards Federal Pell Grants under subsection (a), except that—

(A) the award rules and determination of need applicable to the calculation of Federal Pell Grants under subsection (a) shall not apply to Iraq and Afghanistan Service Grants;

(B) the provisions of paragraph (2)(A)(iii) and (3) of subsection (b), and subsection (f), shall not apply;

(C) the maximum period determined under subsection (c)(5) shall be determined by including all Iraq and Afghanistan Service Grants received by the eligible veteran's dependent, including such Grants received under subpart 10 before the date of enactment of the College Affordability Act; and

(D) an Iraq and Afghanistan Service Grant to an eligible veteran's dependent for any award year shall equal the maximum Federal Pell Grant available under subsection (b)(5) for that award year, except that an Iraq and Afghanistan Service Grant—

(i) shall not exceed the cost of attendance of the eligible veteran's dependent for that award year; and

(ii) shall be adjusted to reflect the attendance by the eligible veteran's dependent on a less than full-time basis in the same manner as such adjustments are made for a Federal Pell Grant under subsection (a).

(5) ESTIMATED FINANCIAL ASSISTANCE.—For purposes of determinations of need under part F, an Iraq and Afghanistan Service Grant shall not be treated as estimated financial assistance as described in sections 471(3) and 480(j).

(m) PREVENTION OF FRAUD.—

(1) REPORT.—Not later than December 31 of each year, the Secretary shall prepare and submit a report to the authorizing committees that includes the following information with respect to unusual enrollment history:

(A) The number and percentage of total applicants who were flagged for an unusual enrollment history in the preceding award year.

(B) The number and percentage of institutions that have had fewer than 2 percent of applicants flagged for an unusual enrollment history in the preceding award year.

(C) The name of each institution that has had more than 2 percent of total applicants flagged for an unusual enrollment history in the preceding award year.

(D) If the percentage of total applicants in subparagraph (A) is greater than 2 percent, a detailed plan from the Secretary as to how to reduce that percentage below 2 percent by the following award year.

(2) DEFINITION.—For the purposes of this subsection the term "unusual enrollment history" means, with respect to the application for Federal student aid—

(A) a pattern in which a student attends an institution long enough to receive a disbursement of credit balance funds authorized by this title, does not complete the enrollment period, enrolls at another institution and repeats this pattern to collect an additional credit balance of funds authorized by this title without earning academic credit; or

(B) any other enrollment pattern that the Department believes may signal an attempt by a student to receive funds authorized under this title in a fraudulent manner.

(n) FEDERAL PELL GRANTS ON BEHALF OF INCARCERATED INDIVIDUALS.—

(1) INSTITUTIONAL REQUIREMENTS.—An eligible institution may not award a Federal Pell Grant to an incarcerated individual or on behalf of such individual, unless the institution meets the following:

(A) The institution is approved to enroll incarcerated individuals by—

(i) the Secretary in accordance with paragraph (2); and

(ii) an accrediting agency or association that meets the requirements of section 496(a)(4)(D).

(B) The institution—

(i) is an institution of higher education (as defined in section 101) or a postsecondary vocational institution (as defined in section 102(c)); and

(ii) during the preceding 5 years, has not been subject to the denial, withdrawal, suspension, or termination of accreditation.

(C) The institution provides each incarcerated individual, upon completion of a course offered by the institution, with academic credits that are the equivalent to credits earned by non-incarcerated students for an equivalent course of study.

(D) The institution provides to the Secretary confirmation from each facility involved that the course of study offered by the institution at such facility is accessible to incarcerated individuals (including such individuals who are individuals with disabilities).

(E) The institution does not enroll incarcerated individuals in a course of study offered primarily as a distance education program, except in a case in which the institution provides to the Secretary—

(i) confirmation that the distance education program offers levels of faculty interaction, peer engagement, and student support sufficient to enable incarcerated individuals to successfully participate in such a program; and

(ii) evidence of the institution's success in offering other distance education programs;

(F) The institution develops and carries out a process to allow each incarcerated individual to access the transcripts and any other educational records of such individual held by the institution, without regard to the facility at which the individual is being held or whether the individual has been released from such a facility.

(G) The institution develops and carries out a process to allow each incarcerated individual an opportunity to provide feedback on courses that is comparable to the opportunity to provide such feedback that the institution offers to non-incarcerated students.

(H) The institution does not directly charge an incarcerated individual—

(i) in the case of such an individual who is an individual with a disability, for any cost of the provision of reasonable accommodations for the individual to

participate in a course of study offered by the institution;

(ii) in the case of such an individual with an expected family contribution for an award year that would not disqualify the individual from receiving a Federal Pell Grant, for any amount of the cost of attendance not covered by the Federal Pell Grant or other Federal assistance received by the institution on behalf of the individual by ensuring that any such amount is offset—

(I) by a State or institutional grant; or

(II) other non-Federal financial assistance that does not have to be repaid by such individual; or

(iii) in the case of such an individual with an expected family contribution for an award year that would disqualify the individual from receiving a Federal Pell Grant, an amount that exceeds such expected family contribution.

(I) The institution makes available to incarcerated individuals who are considering enrolling in a course of study offered by the institution, in simple and understandable terms, the following:

(i) Information with respect to each course of study at the institution for which such an individual may receive a Federal Pell Grant, including—

(I) the cost of attendance;

(II) the mode of instruction (such as distance education, in-person instruction, or a combination of such modes);

(III) how enrollment in such course of study will impact the period of eligibility for Federal Pell Grants for such an individual, including in a case in which the individual is transferred to another facility or released before the completion of such course;

(IV) the transferability of credits earned, and the acceptability of such credits toward a certificate or degree program offered by the institution;

(V) the process for continuing postsecondary education—

(aa) upon transfer to another facility; or

(bb) after the student's period of incarceration or confinement; and

(VI) the process for continuing enrollment at the institution after the student's period of incarceration or confinement, including any barriers to admission (such as criminal history questions on applications for admission to such institution).

(ii) In the case of an institution that offers a program to prepare incarcerated individuals for gainful employment in a recognized occupation (as such term is defined in section 104)—

(I) information on any applicable State licensure and certification requirements, including the requirements of the State in which the facility in-

volved is located and each State in which such individuals permanently reside; and

(II) restrictions related to the employment of formerly incarcerated individuals for each recognized occupation for which the course of study prepares students, including such restrictions—

(aa) in Federal law; and

(bb) in the laws of the State in which the facility involved is located and each State in which such individuals permanently reside.

(J) The institution submits the information described in subparagraph (I) to each facility involved, the Secretary, and the accrediting agency or association described in subparagraph (A)(ii).

(2) APPROVAL BY THE SECRETARY.—

(A) INITIAL ELIGIBILITY.—With respect to an institution that seeks to award Federal Pell Grants to incarcerated individuals under this subsection, the Secretary shall make an initial determination about whether such institution meets the requirements of this subsection, which shall include a confirmation that the institution—

(i) has secured the approval required under paragraph (1)(A)(ii); and

(ii) meets the requirements of paragraph (1)(B).

(B) ONGOING ELIGIBILITY.—Not later than 5 years after the Secretary makes an initial determination under subparagraph (A) that an institution meets the requirements of this subsection, and not less than every 5 years thereafter, the Secretary shall determine whether such institution continues to meet the requirements of this subsection, based on—

(i) a review of the data collected under paragraph (3) with respect to the courses of study offered by such institution in which incarcerated individuals are enrolled, and other applicable information that may be available to the Secretary; and

(ii) whether such institution meets the requirements of paragraph (1).

(3) DATA COLLECTION.—The Secretary shall, on at least an annual basis, collect data with respect to each course of study offered by each institution at which incarcerated individuals are enrolled, including—

(A) the demographics of such individuals;

(B) the share of such individuals receiving Federal Pell Grants;

(C) information on the academic outcomes of such individuals (such as credits attempted and earned, and credential and degree completion);

(D) to the extent practicable, information on post-release outcomes of such individuals (such as continued postsecondary enrollment, employment, and recidivism); and

(E) any data from student satisfaction surveys conducted by the institution or the facility involved regarding such course of study.

(4) BEST PRACTICES IN EDUCATING INCARCERATED INDIVIDUALS.—Not later than 3 years after the date of enactment of the College Affordability Act, and at least once every 3 years thereafter, the Secretary shall collect and disseminate to institutions awarding Federal Pell Grants to incarcerated individuals under this subsection, best practices with respect to the postsecondary education of such individuals.

(5) DEFINITIONS.—In this subsection:

(A) FACILITY.—The term "facility" means—

(i) a place used for the confinement of individuals convicted of a criminal offense that is owned by, or under contract to, the Bureau of Prisons, a State, or a unit of local government; or

(ii) a facility to which an individual subject to involuntary civil confinement is committed.

(B) FACILITY INVOLVED.—The term "facility involved" means, when used with respect to an institution of higher education, a facility at which a course of study of the institution is offered to incarcerated individuals.

(C) INCARCERATED INDIVIDUAL.—The term "incarcerated individual" means an individual who is incarcerated in a facility or who is subject to an involuntary civil commitment.

(D) NON-INCARCERATED STUDENT.—The term "non-incarcerated student" means a student at an institution of higher education who is not an incarcerated individual.

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Subpart 2—Federal Early Outreach and Student Services Programs

CHAPTER 1—FEDERAL TRIO PROGRAMS

SEC. 402A. PROGRAM AUTHORITY; AUTHORIZATION OF APPROPRIATIONS.

(a) GRANTS AND CONTRACTS AUTHORIZED.—The Secretary shall, in accordance with the provisions of this chapter, carry out a program of making grants and contracts designed to identify qualified individuals from disadvantaged backgrounds, to prepare them for a program of postsecondary education, to provide support services for such students who are pursuing programs of postsecondary education, to motivate and prepare students for doctoral programs, and to train individuals serving or preparing for service in programs and projects so designed.

(b) RECIPIENTS, DURATION, AND SIZE.—

(1) RECIPIENTS.—For the purposes described in subsection (a), the Secretary is authorized, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), to make grants to, and contracts with, institutions of higher education, public and private agencies and organizations, including community-based organizations with experience in serving disadvantaged youth, combinations of such institutions, agencies and organizations, and, as appropriate to the purposes of the program, secondary

schools, for planning, developing, or carrying out one or more of the services assisted under this chapter.

(2) DURATION.—Grants or contracts made under this chapter shall be awarded for a period of 5 years, except that—

(A) in order to synchronize the awarding of grants for programs under this chapter, the Secretary may, under such terms as are consistent with the purposes of this chapter, provide a one-time, limited extension of the length of such an award;

(B) grants made under section 402G shall be awarded for a period of 2 years; and

(C) grants under section 402H shall be awarded for a period determined by the Secretary.

(3) MINIMUM GRANTS.—Unless the institution or agency requests a smaller amount, an individual grant authorized under this chapter shall be awarded in an amount that is not less than [$200,000, except that an individual grant authorized under section 402G shall be awarded in an amount that is not less than $170,000.] *$220,000, except that for any fiscal year for which such minimum individual grant amount would result in fewer than 2,780 grants awarded under this chapter, an individual grant authorized under this chapter shall be awarded in an amount that would result in not fewer than 2,780 grants awarded under this chapter for such fiscal year.*

(c) PROCEDURES FOR AWARDING GRANTS AND CONTRACTS.—

(1) APPLICATION REQUIREMENTS.—An eligible entity that desires to receive a grant or contract under this chapter shall submit an application to the Secretary in such manner and form, and containing such information and assurances, as the Secretary may reasonably require.

(2) CONSIDERATIONS.—

[(A) PRIOR EXPERIENCE.—In making grants under this chapter, the Secretary shall consider each applicant's prior experience of high quality service delivery, as determined under subsection (f), under the particular program for which funds are sought. The level of consideration given the factor of prior experience shall not vary from the level of consideration given such factor during fiscal years 1994 through 1997, except that grants made under section 402H shall not be given prior experience consideration.]

(A) ACCOUNTABILITY FOR OUTCOMES.—In making grants under this chapter, the Secretary shall consider each applicant's prior success in achieving high-quality service delivery, as determined under subsection (f) under the particular program for which funds are sought. The level of consideration given the factor of prior success in achieving high-quality service delivery shall not vary from the level of consideration given such factor during fiscal years 1994 through 1997, except that grants made under section 402H shall not be given such consideration.

(B) PARTICIPANT NEED.—In making grants under this chapter, the Secretary shall consider the number, percentages, and needs of eligible participants in the area, institution of higher education, or secondary school to be served to aid such participants in preparing for, enrolling in, or

succeeding in postsecondary education, as appropriate to the particular program for which the eligible entity is applying.

(3) ORDER OF AWARDS; PROGRAM FRAUD.—(A) Except with respect to grants made under sections 402G and 402H and as provided in subparagraph (B), the Secretary shall award grants and contracts under this chapter in the order of the scores received by the application for such grant or contract in the peer review process required under paragraph (4) and adjusted for prior experience in accordance with paragraph (2) of this subsection.

(B) The Secretary shall not provide assistance to a program otherwise eligible for assistance under this chapter, if the Secretary has determined that such program has involved the fraudulent use of funds under this chapter.

(4) PEER REVIEW PROCESS.—(A) The Secretary shall ensure that, to the extent practicable, members of groups underrepresented in higher education, including African Americans, Hispanics, Native Americans, Alaska Natives, Asian Americans, and Native American Pacific Islanders (including Native Hawaiians), are represented as readers of applications submitted under this chapter. The Secretary shall also ensure that persons from urban and rural backgrounds are represented as readers.

(B) The Secretary shall ensure that each application submitted under this chapter is read by at least three readers who are not employees of the Federal Government (other than as readers of applications).

(5) NUMBER OF APPLICATIONS FOR GRANTS AND CONTRACTS.—The Secretary shall not limit the number of applications submitted by an entity under any program authorized under this chapter if the additional applications describe programs serving different populations or different campuses.

(6) COORDINATION [WITH OTHER PROGRAMS FOR DISADVANTAGED STUDENTS].—The Secretary shall encourage coordination of programs assisted under this chapter with other programs for disadvantaged students operated by the sponsoring institution or agency, regardless of the funding source of such programs. The Secretary shall not limit an entity's eligibility to receive funds under this chapter because such entity sponsors a program similar to the program to be assisted under this chapter, regardless of the funding source of such program. The Secretary shall permit the Director of a program receiving funds under this chapter to administer one or more additional programs for disadvantaged students operated by the sponsoring institution or agency, regardless of the funding sources of such programs. [The Secretary shall, as appropriate, require each applicant for funds under the programs authorized by this chapter to identify and make available services under such program, including mentoring, tutoring, and other services provided by such program, to foster care youth (including youth in foster care and youth who have left foster care after reaching age 13) or to homeless children and youths as defined in section 725 of the McKinney-Vento Homeless Assistance Act.]

(7) INCLUSION OF HOMELESS AND FOSTER STUDENTS.—The Secretary shall, as appropriate, require each applicant for funds under the programs authorized by this chapter (other than the programs authorized under section 402E or 402G) to identify and conduct outreach to foster care youth and homeless individuals and make available to foster care youth and homeless individuals services under such programs, including mentoring, tutoring, and other services provided by such programs.

[(7)] *(8)* APPLICATION STATUS.—The Secretary shall inform each entity operating programs under this chapter regarding the status of their application for continued funding at least [8 months] *90 days* prior to the expiration of the grant or contract. The Secretary, in the case of an entity that is continuing to operate a successful program under this chapter, shall ensure that the start-up date for a new grant or contract for such program immediately follows the termination of the preceding grant or contract so that no interruption of funding occurs for such successful reapplicants. The Secretary shall inform each entity requesting assistance under this chapter for a new program regarding the status of their application at least [8 months] *90 days* prior to the proposed startup date of such program.

[(8)] *(9)* REVIEW AND NOTIFICATION BY THE SECRETARY.—

(A) GUIDANCE.—[Not later than 180 days after the date of enactment of the Higher Education Opportunity Act,] *Not less than 90 days before the date on which a competition for a grant under this chapter begins,* the Secretary shall issue nonregulatory guidance regarding the rights and responsibilities of applicants with respect to the application and evaluation process for programs and projects assisted under this chapter, including applicant access to peer review comments. The guidance shall describe the procedures for the submission, processing, and scoring of applications for grants under this chapter, including—

(i) the responsibility of applicants to submit materials in a timely manner and in accordance with the processes established by the Secretary under the authority of the General Education Provisions Act;

(ii) steps the Secretary will take to ensure that the materials submitted by applicants are processed in a proper and timely manner;

(iii) steps the Secretary will take to ensure that [prior experience] *accountability for outcomes* points for high quality service delivery are awarded in an accurate and transparent manner;

(iv) steps the Secretary will take to ensure the quality and integrity of the peer review process, including assurances that peer reviewers will consider applications for grants under this chapter in a thorough and complete manner consistent with applicable Federal law; and

(v) steps the Secretary will take to ensure that the final score of an application, including [prior experience] *accountability for outcomes* points for high quality service delivery and points awarded through the

peer review process, is determined in an accurate and transparent manner.

[(B) UPDATED GUIDANCE.—Not later than 45 days before the date of the commencement of each competition for a grant under this chapter that is held after the expiration of the 180-day period described in subparagraph (A), the Secretary shall update and publish the guidance described in such subparagraph.]

[(C)] *(B)* REVIEW.—

(i) IN GENERAL.—With respect to any competition for a grant under this chapter, an applicant may request a review by the Secretary if the applicant—

(I) has evidence of a specific technical, administrative, or scoring error made by the Department, an agent of the Department, or a peer reviewer, with respect to the scoring or processing of a submitted application; and

(II) has otherwise met all of the requirements for submission of the application.

(ii) TECHNICAL OR ADMINISTRATIVE ERROR.—In the case of evidence of a technical or administrative error listed in clause (i)(I), the Secretary shall review such evidence and provide a timely response to the applicant. If the Secretary determines that a technical or administrative error was made by the Department or an agent of the Department, the application of the applicant shall be reconsidered in the peer review process for the applicable grant competition.

(iii) SCORING ERROR.—In the case of evidence of a scoring error listed in clause (i)(I), when the error relates to either prior experience points for high quality service delivery or to the final score of an application, the Secretary shall—

(I) review such evidence and provide a timely response to the applicant; and

(II) if the Secretary determines that a scoring error was made by the Department or a peer reviewer, adjust the prior experience points or final score of the application appropriately and quickly, so as not to interfere with the timely awarding of grants for the applicable grant competition.

(iv) ERROR IN PEER REVIEW PROCESS.—

(I) REFERRAL TO SECONDARY REVIEW.—In the case of a peer review process error listed in clause (i)(I), if the Secretary determines that points were withheld for criteria not required in Federal statute, regulation, or guidance governing a program assisted under this chapter or the application for a grant for such program, or determines that information pertaining to selection criteria was wrongly determined to be missing from an application by a peer reviewer, then the Secretary shall refer the application to a secondary review panel.

(II) TIMELY REVIEW; REPLACEMENT SCORE.—The secondary review panel described in subclause (I)

shall conduct a secondary review in a timely fashion, and the score resulting from the secondary review shall replace the score from the initial peer review.

(III) COMPOSITION OF SECONDARY REVIEW PANEL.—The secondary review panel shall be composed of reviewers each of whom—

(aa) did not review the application in the original peer review;

(bb) is a member of the cohort of peer reviewers for the grant program that is the subject of such secondary review; and

(cc) to extent practicable, has conducted peer reviews in not less than two previous competitions for the grant program that is the subject of such secondary review.

(IV) FINAL SCORE.—The final peer review score of an application subject to a secondary review under this clause shall be adjusted appropriately and quickly using the score awarded by the secondary review panel, so as not to interfere with the timely awarding of grants for the applicable grant competition.

(V) QUALIFICATION FOR SECONDARY REVIEW.—To qualify for a secondary review under this clause, an applicant shall have evidence of a scoring error and demonstrate that—

(aa) points were withheld for criteria not required in statute, regulation, or guidance governing the Federal TRIO programs or the application for a grant for such programs; or

(bb) information pertaining to selection criteria was wrongly determined to be missing from the application.

(v) FINALITY.—

(I) IN GENERAL.—A determination by the Secretary under clause (i), (ii), or (iii) shall not be reviewable by any officer or employee of the Department.

(II) SCORING.—The score awarded by a secondary review panel under clause (iv) shall not be reviewable by any officer or employee of the Department other than the Secretary.

(vi) FUNDING OF APPLICATIONS WITH CERTAIN ADJUSTED SCORES.—To the extent feasible based on the availability of appropriations, the Secretary shall fund applications with scores that are adjusted upward under clauses (ii), (iii), and (iv) to equal or exceed the minimum cut off score for the applicable grant competition.

(vii) TECHNICAL COMPONENTS OF APPLICATIONS.—

(I) TREATMENT OF NONSUBSTANTIVE TECHNICAL COMPONENTS OF APPLICATIONS.—With respect to any competition for a grant under this chapter, the Secretary may not reject grant applications on the

sole basis of a failure to meet page limits and formatting standards (including with respect to font size, font style, font type, line spacing, paragraph justification, and page margins).

(II) TREATMENT OF TECHNICAL BUDGET ERRORS IN APPLICATIONS.—

(aa) IN GENERAL.—With respect to any competition for a grant under this chapter, the Secretary may not reject grant applications on the sole basis of a typographical or rounding error in a proposed budget until the Secretary has given the applicant an opportunity for correction in accordance with item (bb).

(bb) NOTICE AND OPPORTUNITY FOR CORRECTION.—The Secretary shall provide notice and identification of an error described in item (aa) to the applicant before awarding grants for each competition and shall allow the applicant to submit a revised application that corrects the identified error.

(cc) TREATMENT OF REVISED APPLICATIONS.—The Secretary shall treat the revised application in the same manner as a timely submitted application.

(dd) FAILURE TO CORRECT.—If an applicant has received a notice and opportunity for correction of a typographical or rounding error in a proposed budget in accordance with item (bb) and the applicant fails to correct the error and submit a revised application, the Secretary may reject or penalize that grant application.

(d) OUTREACH.—

(1) IN GENERAL.—The Secretary shall conduct outreach activities to ensure that entities eligible for assistance under this chapter submit applications proposing programs that serve geographic areas and eligible populations which have been underserved by the programs assisted under this chapter.

(2) NOTICE.—In carrying out the provisions of paragraph (1), the Secretary shall notify the entities described in subsection (b) of the availability of assistance under this subsection not less than 120 days prior to the deadline for submission of applications under this chapter and shall consult national, State, and regional organizations about candidates for notification.

(3) TECHNICAL ASSISTANCE.—The Secretary shall provide technical training to applicants for projects and programs authorized under this chapter. The Secretary shall give priority to serving programs and projects that serve geographic areas and eligible populations which have been underserved by the programs assisted under this chapter. Technical training activities shall include the provision of information on authorizing legislation, goals and objectives of the program, required activities, eligibility requirements, the application process and application deadlines, and assistance in the development of program proposals and the completion of program applications.

Such training shall be furnished at conferences, seminars, and workshops to be conducted at not less than 10 sites throughout the United States to ensure that all areas of the United States with large concentrations of eligible participants are served. *In addition, the Secretary shall host at least one virtual, interactive training to ensure that any interested applicants have access to technical assistance.*

(4) SPECIAL RULE.—The Secretary may contract with eligible entities to conduct the outreach activities described in this subsection.

(e) DOCUMENTATION OF STATUS AS A LOW-INCOME INDIVIDUAL.—(1) Except in the case of an independent student, as defined in section 480(d), documentation of an individual's status pursuant to subsection (h)(4) shall be made by providing the Secretary with—

(A) a signed statement from the individual's parent or legal guardian;

(B) verification from another governmental source;

(C) a signed financial aid application; **[**or**]**

(D) a signed United States or Puerto Rico income tax return**[**.**]***;*

(E) documentation that the student has been determined eligible for a Federal Pell Grant authorized under section 401; or

(F) for a grant authorized under section 402B or 402F of this chapter, documentation that a student is attending a school that—

(i) elects, or for which the local educational agency serving the school elects on behalf of the school, to receive special assistance payment under section 11(a)(1)(F)(ii) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(a)(1)(F)(ii)); or

(ii) had a percentage of enrolled students who were identified students (defined in clause (i) of section 11(a)(1)(F) of such Act (42 U.S.C. 1759a(a)(1)(F))) that meets or exceeds the threshold described in clause (viii) of such section (42 U.S.C. 1759a(a)(1)(F)) during the school year that ends prior to the first period for which such grant is awarded.

(2) In the case of an independent student, as defined in section 480(d), documentation of an individual's status pursuant to subsection (h)(4) shall be made by providing the Secretary with—

(A) a signed statement from the individual;

(B) verification from another governmental source;

(C) a signed financial aid application; **[**or**]**

(D) a signed United States or Puerto Rico income tax return**[**.**]***;*

(E) documentation that the student has been determined to be eligible for a Federal Pell Grant authorized under section 401; or

(F) for a grant authorized under section 402B or 402F of this chapter, documentation that a student is attending a school that—

(i) elects, or for which the local educational agency serving the school elects on behalf of the school, to receive special assistance payment under section 11(a)(1)(F)(ii) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(a)(1)(F)(ii)); or

(ii) had a percentage of enrolled students who were identified students (defined in clause (i) of section 11(a)(1)(F) of such Act (42 U.S.C. 1759a(a)(1)(F))) that meets or exceeds the threshold described in clause (viii) of such section (42 U.S.C. 1759a(a)(1)(F)) during the school year that ends prior to the first period for which such grant is awarded.

(3) Notwithstanding this subsection and subsection (h)(4), individuals who are foster care youth (including youth in foster care and youth who have left foster care after reaching age 13), or [homeless children and youths as defined in section 725 of the McKinney-Vento Homeless Assistance Act] *homeless individuals*, shall be eligible to participate in programs under sections 402B, 402C, 402D, and 402F.

(f) OUTCOME CRITERIA.—

(1) USE FOR [PRIOR EXPERIENCE] *ACCOUNTABILITY IN OUTCOMES* DETERMINATION.—For competitions for grants under this chapter that begin [on or after January 1, 2009] *on or after the date of enactment of the College Affordability Act*, the Secretary shall determine an eligible entity's [prior experience of] *success in achieving* high quality service delivery, as required under subsection (c)(2), based on the outcome criteria described in paragraphs (2) and (3).

(2) DISAGGREGATION OF RELEVANT DATA.—The outcome criteria under this subsection shall be disaggregated by low-income students, first generation [college students, and] *college students, foster care youth, homeless individuals, and* individuals with disabilities, in the schools and institutions of higher education served by the program to be evaluated.

(3) CONTENTS OF OUTCOME CRITERIA.—The outcome criteria under this subsection shall measure, annually and for longer periods, the quality and effectiveness of programs authorized under this chapter and shall include the following:

(A) For programs authorized under section 402B, the extent to which the eligible entity met or exceeded the entity's objectives established in the entity's application for such program regarding—

(i) the delivery of service to a total number of students served by the program;

(ii) the continued secondary school enrollment of such students;

(iii) the graduation of such students from secondary school with a regular secondary school diploma in the standard number of years;

(iv) the completion by such students of a rigorous secondary school program of study that [will make such students eligible for programs such as the Academic Competitiveness Grants Program] *includes at least 4 years of mathematics, 3 years of science, and 2 years of a foreign language*;

(v) the completion of financial aid applications, including the Free Application for Federal Student Aid described in section 483(a) and college admissions applications;

[(v)] *(vi)* the enrollment of such students in an institution of higher education; and

[(vi)] *(vii)* to the extent practicable, the postsecondary education completion of such students.

(B) For programs authorized under section 402C, *except in the case of programs that specifically target veterans,* the extent to which the eligible entity met or exceeded the entity's objectives for such program regarding—

(i) the delivery of service to a total number of students served by the program, as agreed upon by the entity and the Secretary for the period;

(ii) such students' school performance, as measured by the grade point average, or its equivalent;

(iii) such students' academic performance, as measured by standardized tests, including tests required by the students' State;

(iv) the retention in, and graduation from, secondary school of such students;

(v) the completion by such students of a rigorous secondary school program of study that [will make such students eligible for programs such as the Academic Competitiveness Grants Program] *includes at least 4 years of mathematics, 3 years of science, and 2 years of a foreign language*;

(vi) the completion of financial aid applications, including the Free Application for Federal Student Aid described in section 483(a) and college admission applications;

[(vi)] *(vii)* the enrollment of such students in an institution of higher education; and

[(vii)] *(viii)* to the extent practicable, the postsecondary education completion of such students.

(C) For programs authorized under section 402C that specifically target veterans, the extent to which the eligible entity met or exceeded the entity's objectives for such program regarding—

(i) the delivery of service to a total number of students served by the program, as agreed upon by the entity and the Secretary for the period of the program;

(ii) such students' academic performance as measured by standardized tests;

(iii) the retention and completion of participants in the program;

(iv) the provision of assistance to students served by the program in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a) and college admission applications;

(v) the enrollment of such students in an institution of higher education; and

(vi) to the extent practicable, the postsecondary completion of such students.

[(C)] *(D)* For programs authorized under section 402D—

(i) the extent to which the eligible entity met or exceeded the entity's objectives regarding the retention in postsecondary education of the students served by the program;

(ii)(I) in the case of an entity that is an institution of higher education offering a baccalaureate degree, the extent to which the entity met or exceeded the entity's objectives regarding the percentage of such students' completion of the degree programs [in which such students were enrolled] *at any baccalaureate granting institution within 6 years of initial enrollment in the project*; or

(II) in the case of an entity that is an institution of higher education that does not offer a baccalaureate degree, the extent to which such students met or exceeded the entity's objectives regarding—

[(aa) the completion of a degree or certificate by such students; and

[(bb) the transfer of such students to institutions of higher education that offer baccalaureate degrees;]

(aa) the transfer of such students to institutions of higher education that offer baccalaureate degrees, regardless of whether the transferring student completes a degree or certificate; or

(bb) the completion of a degree or certificate by such students at any accredited institution within 4 years of initial enrollment in the project;

(iii) the extent to which the entity met or exceeded the entity's objectives regarding the delivery of service to a total number of students, as agreed upon by the entity and the Secretary for the period; and

(iv) the extent to which the entity met or exceeded the entity's objectives regarding the students served under the program who remain in good academic standing.

[(D)] *(E)* For programs authorized under section 402E, the extent to which the entity met or exceeded the entity's objectives for such program regarding—

(i) the delivery of service to a total number of students served by the program, as agreed upon by the entity and the Secretary for the period;

(ii) the provision of appropriate scholarly and research activities for the students served by the program;

(iii) the acceptance and enrollment of such students in graduate programs[; and] *within 2 years of receiving the baccalaureate degree;*

(iv) the continued enrollment of such students in [graduate study and the attainment of doctoral degrees by former program participants.] *graduate study; and*

(v) the attainment of doctoral degrees by former program participants within 10 years of receiving the baccalaureate degree.

[(E)] *(F)* For programs authorized under section 402F, the extent to which the entity met or exceeded the entity's objectives for such program regarding—

(i) the enrollment of students without a secondary school diploma or its recognized equivalent, who were served by the program, in programs leading to such diploma or equivalent *within 2 years of service*;

(ii) the enrollment *or re-enrollment* of secondary school graduates who were served by the program in programs of postsecondary education;

(iii) the delivery of service to a total number of students served by the program, as agreed upon by the entity and the Secretary for the period; and

(iv) the provision of assistance to students served by the program in completing financial aid applications and college admission applications.

(4) MEASUREMENT OF PROGRESS.—In order to determine the extent to which each outcome criterion described in paragraph (2) or (3) is met or exceeded, the Secretary shall compare the agreed upon target for the criterion, as established in the eligible entity's application approved by the Secretary, with the results for the criterion, measured as of the last day of the applicable time period for the determination for the outcome criterion.

(g) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants and contracts under this chapter, there are authorized to be appropriated **[**$900,000,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.**]** *$1,120,000,000 for fiscal year 2021, and each of the 5 succeeding fiscal years. The amount authorized to be appropriated in the preceding sentence for fiscal year 2022 and each of the 4 succeeding fiscal years shall be deemed increased by the annual adjustment percentage. For purposes of this subsection, the term "adjustment percentage" as applied to a fiscal year, means the estimated percentage change in the Consumer Price Index (as determined by the Secretary, using the definition in section 478(f)) for the most recent calendar year ending before the beginning of that fiscal year.* Of the amount appropriated under this chapter, the Secretary may use no more than **[**½ of**]** 1 percent of such amount to obtain additional qualified readers and additional staff to review applications, to increase the level of oversight monitoring, to support impact studies, program assessments and reviews**[**, and to provide**]***, to provide* technical assistance to potential applicants and **[**current grantees. In expending these funds, the Secretary shall give priority to the additional administrative requirements provided in the Higher Education Amendments of 1992, to outreach activities, and to obtaining additional readers.**]** *current grantees, and to carry out the requirements of subsection (c)(9)(A).*

(h) DEFINITIONS.—For the purpose of this chapter:

(1) DIFFERENT CAMPUS.—The term "different campus" means a site of an institution of higher education that—

(A) is geographically apart from the main campus of the institution;

(B) is permanent in nature; and

(C) offers courses in educational programs leading to a degree, certificate, or other recognized educational credential.

(2) DIFFERENT POPULATION.—The term "different population" means a group of individuals that an eligible entity desires to serve through an application for a grant under this chapter, and that—

(A) is separate and distinct from any other population that the entity has applied for a grant under this chapter to serve; or

(B) while sharing some of the same needs as another population that the eligible entity has applied for a grant under this chapter to serve, has distinct needs for specialized services.

(3) FIRST GENERATION COLLEGE STUDENT.—The term "first generation college student" means—

(A) an individual both of whose parents did not complete a baccalaureate degree; or

(B) in the case of any individual who regularly resided with and received support from only one parent, an individual whose only such parent did not complete a baccalaureate degree.

[(4) LOW-INCOME INDIVIDUAL.—The term "low-income individual" means an individual from a family whose taxable income for the preceding year did not exceed 150 percent of an amount equal to the poverty level determined by using criteria of poverty established by the Bureau of the Census.]

(4) HOMELESS INDIVIDUAL.—The term "homeless individual" has the meaning given the term "homeless children and youth" under section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a).

(5) LOW-INCOME INDIVIDUAL.—The term "low-income individual" means—

(A) an individual from a family whose taxable income for the preceding year did not exceed 150 percent of the poverty line applicable to the individual's family size as determined under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2));

(B) an individual whose taxable income as reported on the individual's most recently completed Free Application for Federal Student Aid under section 483(a) did not exceed 150 percent of such poverty line;

(C) an individual who has been determined to be eligible for a Federal Pell Grant authorized under section 401; or

(D) for grants authorized under 402B and 402F of this chapter, a student who is attending a school that—

(i) elects, or for which the local educational agency serving the school elects on behalf of the school, to receive special assistance payment under section 11(a)(1)(F)(ii) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(a)(1)(F)(ii)); or

(ii) had a percentage of enrolled students who were identified students (defined in clause (i) of section 11(a)(1)(F) of such Act (42 U.S.C. 1759a(a)(1)(F))) that meets or exceeds the threshold described in clause (viii) of such section (42 U.S.C. 1759a(a)(1)(F)) during the school year that ends prior to the first year of the period for which such grant is awarded.

[(5)] *(i)* VETERAN ELIGIBILITY.—No veteran shall be deemed ineligible to participate in any program under this chapter by reason of such individual's age who—

[(A)] *(1)* served on active duty for a period of more than 180 days and was discharged or released therefrom under conditions other than dishonorable;

[(B)] *(2)* served on active duty and was discharged or released therefrom because of a service connected disability;

[(C)] *(3)* was a member of a reserve component of the Armed Forces called to active duty for a period of more than 30 days; or

[(D)] *(4)* was a member of a reserve component of the Armed Forces who served on active duty in support of a contingency operation (as that term is defined in section 101(a)(13) of title 10, United States Code) on or after September 11, 2001.

[(6)] *(j)* WAIVER.—The Secretary may waive the service requirements in [subparagraph (A), (B), or (C) of paragraph (5)] *paragraph (1), (2), or (3) of subsection (i)* if the Secretary determines the application of the service requirements to a veteran will defeat the purpose of a program under this chapter.

SEC. 402B. TALENT SEARCH.

(a) PROGRAM AUTHORITY.—The Secretary shall carry out a program to be known as talent search which shall be designed—

(1) to identify qualified youths with potential for education at the postsecondary level and to encourage such youths to complete secondary school and to undertake a program of postsecondary education;

(2) to publicize the availability of, and facilitate the application for, student financial assistance available to persons who pursue a program of postsecondary education; [and]

(3) to advise such youths regarding the postsecondary education selection process, including consideration of financial aid awards offered, potential Federal loan burden, and likelihood of graduating; and

[(3)] *(4)* to encourage persons who have not completed programs of education at the secondary or postsecondary level to enter or reenter, and complete such programs.

(b) REQUIRED SERVICES.—Any project assisted under this section shall provide—

(1) connections to high quality academic tutoring services, to enable students to complete secondary or postsecondary courses;

(2) advice and assistance in secondary course selection and, if applicable, initial postsecondary course selection;

(3) assistance in preparing for college entrance examinations and completing college admission applications;

(4)(A) information on the full range of Federal student financial aid programs and benefits (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

(5) guidance on and assistance in—

(A) secondary school reentry;

(B) alternative education programs for secondary school dropouts that lead to the receipt of a regular secondary school diploma;

(C) entry into general educational development (GED) programs; or

(D) postsecondary education; [and]

[(6) connections to education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents, including financial planning for postsecondary education.]

(6) education or counseling services to assist students and their families regarding career choice; and

(7) connections to programs providing financial literacy and economic literacy so that students and their families are able to make informed choices regarding postsecondary education, including considering degree choices and potential Federal loan burdens.

(c) PERMISSIBLE SERVICES.—Any project assisted under this section may provide services such as—

(1) academic tutoring, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

(2) personal and [career] *academic* counseling or activities;

(3) information and activities designed to acquaint youth with the range of career options available to the youth;

(4) exposure to the campuses of institutions of higher education, as well as cultural events, academic programs, and other sites or activities not usually available to disadvantaged youth;

(5) workshops and counseling for families of students served;

(6) mentoring programs involving elementary or secondary school teachers or counselors, faculty members at institutions of higher education, students, or any combination of such persons; and

(7) programs and activities as described in subsection (b) or paragraphs (1) through (6) of this subsection that are specially designed for students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are [homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a))] *homeless individuals*, students who are in foster care or are aging out of the foster care system, or other disconnected students.

(d) REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for projects under this section for any fiscal year the Secretary shall—

(1) require an assurance that not less than two-thirds of the individuals participating in the project proposed to be carried out under any application be low-income individuals who are first generation college students;

(2) require that such participants be persons who either have completed 5 years of elementary education or are at least 11 years of age but not more than 27 years of age, unless the imposition of any such limitation with respect to any person

would defeat the purposes of this section or the purposes of section 402F;

(3) require an assurance that individuals participating in the project proposed in the application do not have access to services from another project funded under this section or under section 402F; [and]

(4) require an assurance that the project will be located in a setting accessible to the persons proposed to be served by the project[.]*;*

(5) require an assurance that the entity carrying out the project has reviewed and revised policies and practices as needed to remove barriers to the participation and retention in the project of homeless individuals, including unaccompanied youth and foster care youth;

(6) require that such entity submit, as part of the application for the project, a description of the activities that will be undertaken to reach out to such homeless individuals and foster care youth as part of the project; and

(7) require an assurance that such entity will prepare and submit the report required under section 402H(e) at the conclusion of the project regarding such homeless individuals and foster care youth.

SEC. 402C. UPWARD BOUND.

(a) PROGRAM AUTHORITY.—The Secretary shall carry out a program to be known as upward bound which shall be designed to generate skills and motivation necessary for success in education beyond secondary school.

(b) REQUIRED SERVICES.—Any project assisted under this section shall provide—

(1) academic tutoring to enable students to complete secondary or postsecondary courses, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

(2) advice and assistance in secondary and postsecondary course selection;

(3) assistance in preparing for college entrance examinations and completing college admission applications;

(4)(A) information on the full range of Federal student financial aid programs and benefits (including Federal Pell Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

[(5) guidance on and assistance in—

[(A) secondary school reentry;

[(B) alternative education programs for secondary school dropouts that lead to the receipt of a regular secondary school diploma;

[(C) entry into general educational development (GED) programs; or

[(D) postsecondary education; and

[(6) education or counseling services designed to improve the financial literacy and economic literacy of students or the stu-

dents' parents, including financial planning for postsecondary education.]

(5) assistance to students and their families regarding career choice;

(6) education or counseling services designed to improve the financial literacy and economic literacy of students or the students' parents in order to aid them in making informed decisions about the postsecondary education selection process and assist students and their families in making informed choices regarding the postsecondary education selection process; and

(7) in the case of such a project that is not specifically designed for veterans, as part of core curriculum, instruction in mathematics through pre-calculus, science, foreign language, language arts, and literature, and in the case of such a project that is specifically designed for veterans, instruction in mathematics through pre-calculus, science, foreign language, and language arts.

[(c) ADDITIONAL REQUIRED SERVICES FOR MULTIPLE-YEAR GRANT RECIPIENTS.—Any project assisted under this section which has received funding for two or more years shall include, as part of the core curriculum in the next and succeeding years, instruction in mathematics through precalculus, laboratory science, foreign language, composition, and literature.]

[(d)] *(c)* PERMISSIBLE SERVICES.—Any project assisted under this section may provide such services as—

(1) exposure to cultural events, academic programs, and other activities not usually available to disadvantaged [youth] *participants*;

(2) information, activities, and instruction designed to acquaint [youth participating in the project] *project participants* with the range of career options available to the [youth;] *participants;*

(3) on-campus residential programs;

(4) mentoring programs involving elementary school or secondary school teachers or counselors, faculty members at institutions of higher education, students, or any combination of such persons;

(5) work-study positions where [youth participating in the project] *participants* are exposed to careers requiring a postsecondary degree;

(6) special services, including mathematics and science preparation, to enable veterans to make the transition to postsecondary education; and

(7) programs and activities as described in subsection (b), subsection (c), or paragraphs (1) through (6) of this subsection that are specially designed for students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are [homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a))] *homeless individuals*, students who are in foster care or are aging out of the foster care system, or other disconnected students.

[(e)] *(d)* REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for projects under this section for any fiscal year, the Secretary shall—

(1) require an assurance that not less than two-thirds of the youths participating in the project proposed to be carried out under any application be low-income individuals who are first generation college students;

(2) require an assurance that the remaining youths participating in the project proposed to be carried out under any application be low-income individuals, first generation college students, or students who have a high risk for academic failure;

(3) require that there be a determination by the institution, with respect to each participant in such project that the participant has a need for academic support in order to pursue successfully a program of education beyond secondary school;

(4) require that such participants be persons who have completed 8 years of elementary education and are at least 13 years of age but not more than 19 years of age, unless the imposition of any such limitation would defeat the purposes of this section; [and]

(5) require an assurance that no student will be denied participation in a project assisted under this section because the student will enter the project after the 9th grade[.]*;*

(6) require an assurance that the entity carrying out the project has reviewed and revised policies and practices as needed to remove barriers to the participation and retention in the project of homeless individuals, including unaccompanied youth and foster care youth;

(7) require that such entity submit, as part of the application, a description of the activities that will be undertaken to reach out to such homeless individuals and foster care youth regarding the project; and

(8) require an assurance that such entity will prepare and submit the report required under section 402H(e) at the conclusion of the project regarding such homeless individuals and foster care youth.

[(f)] *(e)* MAXIMUM STIPENDS.—Youths participating in a project proposed to be carried out under any application may be paid stipends not in excess of [$60] *$90* per month during the summer school recess, for a period not to exceed three months, except that youth participating in a work-study position under subsection (d)(5) may be paid a stipend of [$300] *$450* per month during the summer school recess, for a period not to exceed three months. Youths participating in a project proposed to be carried out under any application may be paid stipends not in excess of [$40] *$60* per month during the remaining period of the year. *Adults participating in a project specifically targeting veterans under this section may be paid stipends not in excess of $100 per month during the year.*

[(g) ADDITIONAL FUNDS.—

[(1) AUTHORIZATION AND APPROPRIATION.—There are authorized to be appropriated, and there are appropriated to the Secretary, from funds not otherwise appropriated, $57,000,000 for each of the fiscal years 2008 through 2011 to carry out para-

graph (2), except that any amounts that remain unexpended for such purpose for each of such fiscal years may be available for technical assistance and administration costs for the Upward Bound program. The authority to award grants under this subsection shall expire at the end of fiscal year 2011.

[(2) USE OF FUNDS.—The amounts made available by paragraph (1) shall be available to provide assistance to all Upward Bound projects that did not receive assistance in fiscal year 2007 and that have a grant score above 70. Such assistance shall be made available in the form of 4-year grants.]

[(h)] *(f)* ABSOLUTE PRIORITY PROHIBITED IN UPWARD BOUND PROGRAM.—Upon enactment of this subsection and except as otherwise expressly provided by amendment to this section, the Secretary shall not continue, implement, or enforce the absolute priority for the Upward Bound Program published by the Department of Education in the Federal Register on September 22, 2006 (71 Fed. Reg. 55447 et seq.). This subsection shall not be applied retroactively. In implementing this subsection, the Department shall allow the programs and participants chosen in the grant cycle to which the priority applies to continue their grants and participation without a further recompetition. The entities shall not be required to apply the absolute priority conditions or restrictions to future participants.

SEC. 402D. STUDENT SUPPORT SERVICES.

(a) PROGRAM AUTHORITY.—The Secretary shall carry out a program to be known as student support services which shall be designed—

(1) to increase college retention and graduation rates for eligible students;

(2) to increase the transfer rates of eligible students from 2-year to 4-year institutions;

(3) to foster an institutional climate supportive of the success of students who are [limited English proficient] *low-income and first generation college students, including limited English proficient students*, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are [homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a))] *homeless individuals*, students who are in foster care or are aging out of the foster care system, or other disconnected students; and

(4) to improve the financial literacy and economic literacy of students[, including—

[(A) basic personal income, household money management, and financial planning skills; and

[(B) basic economic decisionmaking skills.].

(b) REQUIRED SERVICES.—A project assisted under this section shall provide—

(1) academic tutoring, directly or through other services provided by the institution, to enable students to complete postsecondary courses, which may include instruction in reading, writing, study skills, mathematics, science, and other subjects;

(2) advice and assistance in postsecondary course selection;

(3)(A) information on both the full range of Federal student financial aid programs and benefits (including Federal Pell

Grant awards and loan forgiveness) and resources for locating public and private scholarships; and

(B) assistance in completing financial aid applications, including the Free Application for Federal Student Aid described in section 483(a);

(4) education or counseling services designed to improve the financial literacy and economic literacy of students, [including financial planning for postsecondary education;] *including—*

(A) financial planning for postsecondary education, including loan burdens required, repayment options, and expected earnings in potential career fields;

(B) basic personal income, household money management, and financial planning skills; and

(C) basic economic decisionmaking skills.

(5) activities designed to assist students participating in the project in applying for admission to, and obtaining financial assistance for enrollment in, graduate and professional programs; [and]

(6) activities designed to assist students enrolled in two-year institutions of higher education in applying for admission to, and obtaining financial assistance for enrollment in, a four-year program of postsecondary education[.]*; and*

(7) basic and emergency supplemental living assistance grants in accordance with subsection (f).

(c) PERMISSIBLE SERVICES.—A project assisted under this section may provide services such as—

(1) individualized counseling for personal, career, and academic matters provided by assigned counselors;

(2) information, activities, and instruction designed to acquaint students participating in the project with the range of career options available to the students;

(3) exposure to cultural events and academic programs not usually available to disadvantaged students;

(4) mentoring programs involving faculty or upper class students, or a combination thereof;

(5) securing temporary housing during breaks in the academic year for—

(A) students who are [homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a))] *homeless individuals* or were formerly homeless children and youths; and

(B) students who are in foster care or are aging out of the foster care system; and

(6) programs and activities as described in subsection (b) or paragraphs (1) through (4) of this subsection that are specially designed for students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are [homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a))] *homeless individuals*, students who are in foster care or are aging out of the foster care system, or other disconnected students.

(d) SPECIAL RULE.—

(1) USE FOR STUDENT AID.—A recipient of a grant that undertakes any of the permissible services identified in subsection (c) may, in addition, use such funds to provide grant aid to students. A grant provided under this paragraph shall not exceed the Federal Pell Grant amount, determined under section 401(b)(2)(A), for which a student is eligible, or be less than the minimum Federal Pell Grant amount described in section 401(b)(4), for the current academic year. In making grants to students under this subsection, an institution shall ensure that adequate consultation takes place between the student support service program office and the institution's financial aid office.

(2) ELIGIBLE STUDENTS.—For purposes of receiving grant aid under this subsection, eligible students shall be current participants in the student support services program offered by the institution and be—

(A) students who are in their first 2 years of postsecondary education and who are receiving Federal Pell Grants under subpart 1; or

(B) students who have completed their first 2 years of postsecondary education and who are receiving Federal Pell Grants under subpart 1 if the institution demonstrates to the satisfaction of the Secretary that—

(i) these students are at high risk of dropping out; and

(ii) it will first meet the needs of all its eligible first- and second-year students for services under this paragraph.

(3) DETERMINATION OF NEED.—A grant provided to a student under paragraph (1) shall not be considered in determining that student's need for grant or work assistance under this title, except that in no case shall the total amount of student financial assistance awarded to a student under this title exceed that student's cost of attendance, as defined in section 472.

(4) MATCHING REQUIRED.—A recipient of a grant who uses such funds for the purpose described in paragraph (1) shall match the funds used for such purpose, in cash, from non-Federal funds, in an amount that is not less than 33 percent of the total amount of funds used for that purpose. This paragraph shall not apply to any grant recipient that is an institution of higher education eligible to receive funds under part A or B of title III or title V.

(5) RESERVATION.—In no event may a recipient use more than 20 percent of the funds received under this section for grant aid.

(6) SUPPLEMENT, NOT SUPPLANT.—Funds received by a grant recipient that are used under this subsection shall be used to supplement, and not supplant, non-Federal funds expended for student support services programs.

(e) REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for projects under this section for any fiscal year, the Secretary shall—

(1) require an assurance that not less than two-thirds of the persons participating in the project proposed to be carried out under any application—

(A) be individuals with disabilities; or

(B) be low-income individuals who are first generation college students;

(2) require an assurance that the remaining students participating in the project proposed to be carried out under any application be low-income individuals, first generation college students, or individuals with disabilities;

(3) require an assurance that not less than one-third of the individuals with disabilities participating in the project be low-income individuals;

(4) require that there be a determination by the institution, with respect to each participant in such project, that the participant has a need for academic support in order to pursue successfully a program of education beyond secondary school;

(5) require that such participants be enrolled or accepted for enrollment at the institution which is the recipient of the grant or contract; **[**and**]**

(6) consider, in addition to such other criteria as the Secretary may prescribe, the institution's effort, and where applicable past history, in—

(A) providing sufficient financial assistance to meet the full financial need of each student in the project; and

(B) maintaining the loan burden of each such student at a manageable level**[**.**]**;

(7) require an assurance that the entity carrying out the project has reviewed and revised policies and practices as needed to remove barriers to the participation and retention in the project of homeless individuals, including unaccompanied youth and foster care youth;

(8) require that such entity submit, in the application for the project, a description of the activities that will be undertaken to reach out to such homeless individuals and foster care youth, who are enrolled or accepted for enrollment at the institution; and

(9) require an assurance that such entity will prepare and submit the report required under section 402H(e) at the conclusion of the project regarding such homeless individuals and foster care youth.

(f) BASIC AND EMERGENCY SUPPLEMENTAL LIVING ASSISTANCE GRANTS.—

(1) IN GENERAL.—In carrying out the activities required under subsection (b)(7) with a grant received under this section, the recipient of such grant shall provide basic and emergency supplemental living assistance grants to assist students who are current participants in the student support services program offered by the institution (in this subsection referred to as "eligible students")—

(A) in the case of a basic supplemental living assistance grant, in covering reasonable, anticipated expenses necessary for the completion of an academic year of the students' first undergraduate baccalaureate course of study; and

(B) in the case of an emergency supplemental living assistance grant, in covering reasonable, unanticipated ex-

penses necessary for the students to persist in college during such academic year.

(2) AMOUNT OF GRANTS.—The recipient may determine—

(A) the appropriate division of the funds between basic and emergency supplemental assistance grants, except that funds shall be provided for both basic and emergency grants;

(B) the amount of each such grant and the total grant funds that an eligible student may receive, except that a student may not receive more than a total of $500 in emergency supplemental assistance grants per academic year; and

(C) the anticipated and unanticipated expenses referred to in paragraph (1) that such grants will cover based on the needs of eligible students, which—

(i) may vary by factors including academic year, housing, parental status, location in urban or rural area, or other circumstances; and

(ii) for an individual student, may cover—

(I) any component of the cost of attendance for the student;

(II) an allowance for actual or expected expenses incurred for dependent care that exceeds such expenses determined for the student under section 472(8);

(III) an allowance for actual or expected expenses for transportation that exceeds such expenses determined for the student under section 472; and

(IV) personal items or expenses not otherwise covered by the cost of attendance for the student.

(3) PERCENTAGE OF TOTAL FUNDS.—The recipient may use not more than 2 percent of the funds awarded under this section for grants under this subsection.

(4) DETERMINATION OF NEED.—A grant provided to a student under this subsection shall not be considered in determining that student's need for grant or work assistance under this title, except that in no case shall the total amount of student financial assistance awarded to a student under this title exceed that student's cost of attendance by more than $500.

(5) CONSULTATION.—In making grants to students under this subsection, an institution shall ensure that adequate consultation takes place between the student support service program office and the institution's financial aid office.

(6) SUPPLEMENT, NOT SUPPLANT.—Funds received by a grant recipient that are used under this subsection shall be used to supplement, and not supplant, non-Federal funds expended for student support services programs.

(7) FUNDS.—For a fiscal year for which the funds allocated for projects authorized under this section from the amounts appropriated pursuant to the authority of section 402A(g) exceeds the funds allocated for such purpose for fiscal year 2020, not more than 2 percent of such excess funds may be made available for grants under this subsection.

SEC. 402E. POSTBACCALAUREATE ACHIEVEMENT PROGRAM AUTHORITY.

(a) PROGRAM AUTHORITY.—The Secretary shall carry out a program to be known as the "Ronald E. McNair Postbaccalaureate Achievement Program" that shall be designed to provide disadvantaged college students with effective preparation for doctoral study.

(b) REQUIRED SERVICES.—A project assisted under this section shall provide—

(1) opportunities for research or other scholarly activities at the institution or at graduate centers designed to provide students with effective preparation for doctoral study;

(2) [summer] internships *or faculty-led research experiences*;

(3) seminars and other educational activities designed to prepare students for doctoral study;

(4) tutoring;

(5) academic counseling; and

(6) activities designed to assist students participating in the project in securing admission to and financial assistance for enrollment in graduate programs.

(c) PERMISSIBLE SERVICES.—A project assisted under this section may provide services such as—

(1) education or counseling services designed to improve the financial literacy and economic literacy of students, including financial planning for postsecondary education;

(2) mentoring programs involving faculty members at institutions of higher education, students, or any combination of such persons; and

(3) exposure to cultural events and academic programs not usually available to disadvantaged students.

(d) REQUIREMENTS.—In approving applications for projects assisted under this section for any fiscal year, the Secretary shall require—

(1) an assurance that not less than two-thirds of the individuals participating in the project proposed to be carried out under any application be low-income individuals who are first generation college students;

(2) an assurance that the remaining persons participating in the project proposed to be carried out be from a group that is underrepresented in graduate education, including—

(A) Alaska Natives, as defined in section 6306 of the Elementary and Secondary Education Act of 1965;

(B) Native Hawaiians, as defined in section 6207 of such Act; and

(C) Native American Pacific Islanders, as defined in section 320;

(3) an assurance that participants be enrolled in a degree program at an eligible institution having an agreement with the Secretary in accordance with the provisions of section 487; and

(4) an assurance that participants in [summer] research internships *or faculty-led experiences who have stipends* have completed their sophomore year in postsecondary education.

(e) AWARD CONSIDERATIONS.—In addition to such other selection criteria as may be prescribed by regulations, the Secretary shall consider in making awards to institutions under this section—

(1) the quality of research and other scholarly activities in which students will be involved;

(2) the level of faculty involvement in the project and the description of the research in which students will be involved; and

(3) the institution's plan for identifying and recruiting participants including students enrolled in projects authorized under this section.

(f) MAXIMUM STIPENDS.—Students participating in research under a project under this section may receive an award that—

(1) shall include a stipend not to exceed [$2,800] *$4,000* per annum; and

(2) may include, in addition, the costs of summer tuition, summer room and board, and transportation to summer programs.

(g) FUNDING.—From amounts appropriated pursuant to the authority of section 402A(g), the Secretary shall, to the extent practicable, allocate funds for projects authorized by this section in an amount which is not less than $11,000,000 for each of the fiscal years 2009 through 2014.

SEC. 402F. EDUCATIONAL OPPORTUNITY CENTERS.

(a) PROGRAM AUTHORITY; SERVICES PROVIDED.—The Secretary shall carry out a program to be known as educational opportunity centers which shall be designed—

(1) to provide information with respect to financial and academic assistance available for individuals desiring to [pursue] *begin or re-enter* a program of postsecondary education;

(2) to provide assistance to such persons in applying for admission to institutions at which a program of postsecondary education is offered, including preparing necessary applications for use by admissions and financial aid officers; and

(3) to improve the financial literacy and economic literacy of students, including—

(A) basic personal income, household money management, and financial planning skills; and

(B) basic economic decisionmaking skills.

(b) PERMISSIBLE SERVICES.—An educational opportunity center assisted under this section may provide services such as—

(1) public information campaigns designed to inform the community regarding opportunities for postsecondary education and training;

(2) academic advice and assistance in course selection;

(3) assistance in completing college admission and financial aid applications;

(4) assistance in preparing for college entrance examinations;

(5) education or counseling services designed to improve the financial literacy and economic literacy of [students;] *students, including—*

(A) financial planning for postsecondary education, including student loan debt, repayment options, and expected earnings in potential career fields;

(B) basic personal income, household money management, and financial planning skills; and

(C) basic economic decisionmaking skills;

(6) guidance on secondary school reentry or entry to a general educational development (GED) program or other alternative education programs for secondary school dropouts;

(7) individualized personal, career, and academic counseling;

(8) tutorial services;

(9) career workshops and counseling;

(10) mentoring programs involving elementary or secondary school teachers, faculty members at institutions of higher education, students, or any combination of such persons; and

(11) programs and activities as described in paragraphs (1) through (10) that are specially designed for students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are **[**homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a))**]** *homeless individuals*, students who are in foster care or are aging out of the foster care system, or other disconnected students.

(c) REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for educational opportunity centers under this section for any fiscal year the Secretary shall—

(1) require an assurance that not less than two-thirds of the persons participating in the project proposed to be carried out under any application be low-income individuals who are first generation college students;

(2) require that such participants be persons who are at least nineteen years of age, unless the imposition of such limitation with respect to any person would defeat the purposes of this section or the purposes of section 402B; **[**and**]**

(3) require an assurance that individuals participating in the project proposed in the application do not have access to services from another project funded under this section or under section 402B**[**.**]***;*

(4) require an assurance that the entity carrying out the project has reviewed and revised policies and practices as needed to remove barriers to the participation and retention in the project of homeless individuals, including unaccompanied youth and foster care youth;

(5) require that such entity submit, as part of the application, a description of the activities that will be undertaken to reach out to such homeless individuals and foster care youth regarding the project; and

(6) require an assurance that such entity will prepare and submit the report required under section 402H(e) at the conclusion of the project regarding such homeless individuals and foster care youth.

SEC. 402G. STAFF DEVELOPMENT ACTIVITIES.

(a) SECRETARY'S AUTHORITY.—For the purpose of improving the operation of the programs and projects authorized by this chapter, the Secretary is authorized to make grants to institutions of higher education and other public and private nonprofit institutions and organizations to provide training for staff and leadership personnel employed in, participating in, or preparing for employment in, such programs and projects.

(b) CONTENTS OF TRAINING PROGRAMS.—Such training shall include conferences, internships, seminars, workshops, *webinars, online classes,* and the publication of manuals designed to improve the operation of such programs and projects and shall be carried out in the various regions of the Nation in order to ensure that the training opportunities are appropriate to meet the needs in the local areas being served by such programs and projects. Such training shall be offered annually for [new directors] *staff* of projects funded under this chapter as well as annually on the following topics and other topics chosen by the Secretary:

(1) Legislative and regulatory requirements and program management for new directors of programs funded under this chapter.

[(1)] *(2)* Legislative and regulatory requirements for the operation of programs *for continuing directors and staff of programs* funded under this chapter.

[(2)] *(3)* Assisting students in receiving adequate financial aid from programs assisted under this title and other programs.

[(3)] *(4)* The design and operation of [model programs] *innovations* for projects funded under this chapter.

[(4)] *(5)* The use of appropriate educational technology in the operation of projects assisted under this chapter.

[(5)] *(6)* Strategies for recruiting and serving hard to reach populations, including students who are limited English proficient, students from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are [homeless children and youths (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a))] *homeless individuals*, students who are in foster care or are aging out of the foster care system, or other disconnected students.

(c) CONSULTATION.—Grants for the purposes of this section shall be made only after consultation with regional and State professional associations of persons having special knowledge with respect to the needs and problems of such programs and projects.

SEC. 402H. REPORTS, EVALUATIONS, AND GRANTS FOR PROJECT IMPROVEMENT AND DISSEMINATION.

(a) REPORTS TO THE AUTHORIZING COMMITTEES.—

(1) IN GENERAL.—The Secretary shall submit annually, to the authorizing committees, a report that documents the performance of all programs funded under this chapter. Such report shall—

(A) be submitted not later than 12 months after the eligible entities receiving funds under this chapter are required to report their performance to the Secretary;

(B) focus on the programs' performance on the relevant outcome criteria determined under section 402A(f)(4);

(C) aggregate individual project performance data on the outcome criteria in order to provide national performance data for each program;

(D) include, when appropriate, descriptive data, multi-year data, and multi-cohort data; and

(E) include comparable data on the performance nationally of low-income students, first-generation students, and students with disabilities.

(2) INFORMATION.—The Secretary shall provide, with each report submitted under paragraph (1), information on the impact of the secondary review process described in section 402A(c)(8)(C)(iv), including the number and type of secondary reviews, the disposition of the secondary reviews, the effect on timing of awards, and any other information the Secretary determines is necessary.

(b) EVALUATIONS.—

(1) IN GENERAL.—

(A) AUTHORIZATION OF GRANTS AND CONTRACTS.—For the purpose of improving the effectiveness of the programs and projects assisted under this chapter, the Secretary shall make grants to, or enter into contracts with, institutions of higher education and other public and private institutions and organizations to rigorously evaluate the effectiveness of the programs and projects assisted under this chapter[, including a rigorous evaluation of the programs and projects assisted under section 402C. The evaluation of the programs and projects assisted under section 402C shall be implemented not later than June 30, 2010] *The issues such evaluations shall measure shall include the effectiveness of programs and projects assisted under this chapter in—*

(i) meeting or exceeding the stated objectives regarding the outcome criteria under section 402A(f);

(ii) enhancing the access of low-income individuals and first-generation college students to postsecondary education;

(iii) preparing individuals for postsecondary education; and

(iv) comparing students who participate in the programs funded under this chapter with students who do not participate in such programs with respect to—

(I) level of education completed;

(II) retention rates;

(III) graduation rates;

(IV) college admission and completion rates; and

(V) other issues as the Secretary considers appropriate. .

(B) CONTENT OF UPWARD BOUND EVALUATION.—The evaluation of the programs and projects assisted under section 402C that is described in subparagraph (A) shall examine the characteristics of the students who benefit most from the Upward Bound program under section 402C and the characteristics of the programs and projects that most benefit students.

(C) IMPLEMENTATION.—Each evaluation described in this paragraph shall be implemented in accordance with the requirements of this section *and take into account the agreed upon target determined under section 402A(f)(4).*

[(2) PRACTICES.—

[(A) IN GENERAL.—The evaluations described in paragraph (1) shall identify institutional, community, and program or project practices that are effective in—

[(i) enhancing the access of low-income individuals and first-generation college students to postsecondary education;

[(ii) the preparation of such individuals and students for postsecondary education; and

[(iii) fostering the success of the individuals and students in postsecondary education.

[(B) PRIMARY PURPOSE.—Any evaluation conducted under this chapter shall have as the evaluation's primary purpose the identification of particular practices that further the achievement of the outcome criteria determined under section 402A(f)(4).

[(C) DISSEMINATION AND USE OF EVALUATION FINDINGS.—The Secretary shall disseminate to eligible entities and make available to the public the practices identified under subparagraph (B). The practices may be used by eligible entities that receive assistance under this chapter after the dissemination.]

(2) PRACTICES.—The evaluations described in paragraph (1) shall identify institutional, community, and program or project practices that are effective in—

(A) enhancing the access of low-income individuals and first-generation college students to postsecondary education;

(B) the preparation of such individuals and students for postsecondary education;

(C) fostering the success of the individuals and students in postsecondary education; and

(D) for programs and projects assisted under section 402C, the characteristics of students who benefit most from such programs and projects.

(3) SPECIAL RULE RELATED TO EVALUATION PARTICIPATION.—The Secretary shall not require an eligible entity, as a condition for receiving, or that receives, assistance under any program or project under this chapter to participate in an evaluation under this section that—

(A) requires the eligible entity to recruit additional students beyond those the program or project would normally recruit; or

(B) results in the denial of services for an eligible student under the program or project.

(4) CONSIDERATION.—When designing an evaluation under this subsection, the Secretary shall continue to consider—

(A) the burden placed on the program participants or the eligible entity; and

(B) whether the evaluation meets generally accepted standards of institutional review boards.

(c) GRANTS.—The Secretary may award grants to institutions of higher education or other private and public institutions and organizations, that are carrying out a program or project assisted under this chapter prior to the date of enactment of the Higher Education Amendments of 1998, to enable the institutions and organizations to expand and leverage the success of such programs or projects by

working in partnership with other institutions, community-based organizations, or combinations of such institutions and organizations, that are not receiving assistance under this chapter and are serving low-income students and first generation college students, in order to—

(1) disseminate and replicate best practices of programs or projects assisted under this chapter; and

(2) provide technical assistance regarding programs and projects assisted under this chapter.

(d) RESULTS.—In order to improve overall program or project effectiveness, the results of evaluations and grants described in this section shall be disseminated by the Secretary to similar programs or projects assisted under this subpart, as well as other individuals concerned with postsecondary access for and retention of low-income individuals and first-generation college students*, including the authorizing committees*.

(e) REPORT REGARDING HOMELESS INDIVIDUALS AND FOSTER CARE YOUTH.—Each entity carrying out a project under section 402B, 402C, 402D, or 402F shall, at the conclusion of the project, prepare and submit a report to the Secretary that includes—

(1) where available, data on the number of homeless individuals and foster care youth served through the project; and

(2) a description of any strategies or program enhancements that were used in the project and that were effective in meeting the needs of such homeless individuals and foster care youth.

CHAPTER 2—GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS

SEC. 404A. EARLY INTERVENTION AND COLLEGE AWARENESS PROGRAM AUTHORIZED.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized, in accordance with the requirements of this chapter, to establish a program that encourages eligible entities to provide support, and maintain a commitment, to eligible low-income students, including students with disabilities, to assist the students in obtaining a secondary school diploma (or its recognized equivalent) and to prepare for and succeed in postsecondary education, by providing—

(1) financial assistance, academic support*, including for college readiness*, additional counseling, mentoring, outreach, and supportive services to secondary school students, including students with disabilities, to reduce—

(A) the risk of such students dropping out of school; or

(B) the need for remedial education for such students at the postsecondary level; and

(2) information to students and their families about the advantages of obtaining a postsecondary education and, college financing options for the students and their families.

(b) AWARDS.—

(1) IN GENERAL.—From funds appropriated under section 404H for each fiscal year, the Secretary shall make awards to eligible entities described in paragraphs (1) and (2) of subsection (c) to enable the entities to carry out the program authorized under subsection (a).

(2) AWARD PERIOD.—The Secretary may award a grant under this chapter to an eligible entity described in paragraphs (1) and (2) of subsection (c) for—

(A) six years; or

(B) in the case of an eligible entity that applies for a grant under this chapter for seven years to enable the eligible entity to provide services to a student through the student's first year of attendance at an institution of higher education, seven years.

[(3) PRIORITY.—In making awards to eligible entities described in subsection (c)(1), the Secretary shall—

[(A) give priority to eligible entities that—

[(i) on the day before the date of enactment of the Higher Education Opportunity Act, carried out successful educational opportunity programs under this chapter (as this chapter was in effect on such day); and

[(ii) have a prior, demonstrated commitment to early intervention leading to college access through collaboration and replication of successful strategies; and

[(B) ensure that students served under this chapter on the day before the date of enactment of the Higher Education Opportunity Act continue to receive assistance through the completion of secondary school.]

(3) PRIORITY.—In making awards to eligible entities described in subsection (c), the Secretary may give a competitive priority—

(A) to eligible entities that—

(i) on the day before the date of enactment of the College Affordability Act, carried out successful educational opportunity programs under this chapter (as this chapter was in effect on such day); and

(ii) have a prior, demonstrated commitment to early intervention leading to college access and readiness through collaboration and replication of successful strategies; or

(B) to eligible entities that ensure that students that received assistance under this chapter on the day before the date of enactment of the College Affordability Act continue to receive such assistance through the completion of secondary school.

(4) MULTIPLE AWARD PROHIBITION.—

(A) IN GENERAL.—An eligible entity described in subsection (c)(1) that receives a grant under this chapter shall not be eligible to receive an additional grant under this chapter until after the date on which the grant period with respect to such grant expires.

(B) EXCEPTION FOR NO-COST EXTENSION.—Notwithstanding subparagraph (A), an eligible entity described in subsection (c)(1) that receives a grant under this chapter that has been extended under section 75.261 of title 34, Code of Federal Regulations may receive an additional grant under this chapter prior to the date on which the grant period applicable to such extension expires.

(c) DEFINITION OF ELIGIBLE ENTITY.—For the purposes of this chapter, the term "eligible entity" means—

(1) a State; or

(2) a partnership—

(A) consisting of—

(i) one or more local educational agencies; and

(ii) one or more degree granting institutions of higher education; and

(B) which may include not less than two other community organizations or entities, such as businesses, professional organizations, State agencies, institutions or agencies sponsoring programs authorized under subpart 4, or other public or private agencies or organizations.

SEC. 404B. REQUIREMENTS.

(a) FUNDING RULES.—In awarding grants *(except with respect to continuation awards under this chapter)* from the amount appropriated under section 404H for a fiscal year, the Secretary shall make available—

(1) to eligible entities described in section 404A(c)(1), not less than 33 percent of such amount;

(2) to eligible entities described in section 404A(c)(2), not less than 33 percent of such amount; and

(3) to eligible entities described in paragraph (1) or (2) of section 404A(c), the remainder of such amount taking into consideration the number, quality, and promise of the applications for the grants, and, to the extent practicable—

(A) the geographic distribution of such grant awards; and

(B) the distribution of such grant awards between urban and rural applicants.

(b) COORDINATION.—Each eligible entity shall ensure that the activities assisted under this chapter are, to the extent practicable, coordinated with, and complement and enhance—

(1) services under this chapter provided by other eligible entities serving the same school district or State; and

(2) related services under other Federal or non-Federal programs.

(c) DESIGNATION OF FISCAL AGENT.—An eligible entity described in section 404A(c)(2) shall designate an institution of higher education or a local educational agency as the fiscal agent for the eligible entity.

(d) COHORT APPROACH.—

(1) IN GENERAL.—The Secretary shall require that eligible entities described in section 404A(c)(2)—

(A) provide services under this chapter to at least one grade level of students, beginning not later than 7th grade, in a participating school that has a 7th grade and in which at least 50 percent of the students enrolled are eligible for free or reduced-price lunch under the Richard B. Russell National School Lunch Act (or, if an eligible entity determines that it would promote the effectiveness of a program, an entire grade level of students, beginning not later than the 7th grade, who reside in public housing as defined in section 3(b)(1) of the United States Housing Act of 1937); *and*

(B) ensure that the services are provided through the 12th grade to students in the participating grade level and provide the option of continued services through the student's first year of attendance at an institution of higher education to the extent the provision of such services was described in the eligible entity's application for assistance under this chapter[; and].

[(C) provide services under this chapter to students who have received services under a previous GEAR UP grant award but have not yet completed the 12th grade.]

(2) COORDINATION REQUIREMENT.—In order for the Secretary to require the cohort approach described in paragraph (1), the Secretary shall, where applicable, ensure that the cohort approach is done in coordination and collaboration with existing early intervention programs and does not duplicate the services already provided to a school or community.

(e) SUPPLEMENT, NOT SUPPLANT.—Grant funds awarded under this chapter shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities assisted under this chapter.

SEC. 404C. APPLICATIONS.

(a) APPLICATION REQUIRED FOR ELIGIBILITY.—

(1) IN GENERAL.—In order for an eligible entity to qualify for a grant under this chapter, the eligible entity shall submit to the Secretary an application for carrying out the program under this chapter.

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall be in such form, contain or be accompanied by such information or assurances, and be submitted at such time as the Secretary may reasonably require. Each such application shall, at a minimum—

(A) describe the activities for which assistance under this chapter is sought, including how the eligible entity will carry out the required activities described in section 404D(a);

(B) describe, in the case of an eligible entity described in section 404A(c)(2) that chooses to provide scholarships, or an eligible entity described in section 404A(c)(1), how the eligible entity will meet the requirements of section 404E;

(C) describe, in the case of an eligible entity described in section 404A(c)(2) that requests a reduced match percentage under subsection (b)(2), how such reduction will assist the entity to provide the scholarships described in subsection (b)(2)(A)(ii);

(D) provide assurances that adequate administrative and support staff will be responsible for coordinating the activities described in section 404D;

(E) provide assurances that activities assisted under this chapter will not displace an employee or eliminate a position at a school assisted under this chapter, including a partial displacement such as a reduction in hours, wages, or employment benefits;

(F) describe, in the case of an eligible entity described in section 404A(c)(1) that chooses to use a cohort approach, or an eligible entity described in section 404A(c)(2), how the

eligible entity will define the cohorts of the students served by the eligible entity pursuant to section 404B(d), and how the eligible entity will serve the cohorts through grade 12, including—

(i) how vacancies in the program under this chapter will be filled; and

(ii) how the eligible entity will serve students attending different secondary schools;

(G) describe how the eligible entity will coordinate programs under this chapter with other existing Federal, State, or local programs to avoid duplication and maximize the number of students served;

(H) provide such additional assurances as the Secretary determines necessary to ensure compliance with the requirements of this chapter;

(I) provide information about the activities that will be carried out by the eligible entity to support systemic changes from which future cohorts of students will benefit; [and]

(J) describe the sources of matching funds that will enable the eligible entity to meet the matching requirement described in subsection (b)[.]*;*

(K) provide an assurance that the eligible entity has reviewed and revised policies and practices as needed to remove barriers to the participation and retention of homeless individuals (as defined in section 402A) in the program, including unaccompanied youth and foster care youth;

(L) describe the activities that will be undertaken to reach out to such homeless individuals and foster care youth as part of the program; and

(M) provide an assurance that the eligible entity will prepare and submit the report required under section 404G(c) at the conclusion of the grant regarding such homeless individuals and foster care youth.

(b) MATCHING REQUIREMENT.—

(1) IN GENERAL.—The Secretary shall not approve an application submitted under subsection (a) unless such application—

(A) provides that the eligible entity will provide *matching funds*, from State, local, institutional, or private funds, *equaling* not less than 50 percent of [the cost of the program, which matching funds] *the total Federal grant award under this chapter, which* may be provided in cash or in kind and may be accrued over the full duration of the grant award period, except that the eligible entity shall make substantial progress towards meeting the matching requirement in each year of the grant award period;

(B) specifies the methods by which matching funds will be paid; and

(C) includes provisions designed to ensure that funds provided under this chapter shall supplement and not supplant funds expended for existing programs.

(2) SPECIAL RULE.—Notwithstanding the matching requirement described in paragraph (1)(A), the Secretary may by regulation modify the percentage requirement described in para-

graph (1)(A) for eligible entities described in section 404A(c)(2). The Secretary may approve an eligible entity's request for a reduced match percentage—

(A) at the time of application—

(i) if the eligible entity demonstrates significant economic hardship that precludes the eligible entity from meeting the matching requirement; or

(ii) if the eligible entity is described in section 404A(c)(2) and requests that contributions to the eligible entity's scholarship fund established under section 404E be matched on a two to one basis; or

(B) in response to a petition by an eligible entity subsequent to a grant award under this section if the eligible entity demonstrates that the matching funds described in its application are no longer available and the eligible entity has exhausted all revenues for replacing such matching funds.

(c) METHODS FOR COMPLYING WITH MATCHING REQUIREMENT.—An eligible entity may count toward the matching requirement described in subsection (b)(1)(A)—

(1) the amount of the financial assistance obligated to students *at any point during the grant award period* from State, local, institutional, or private funds under this chapter, including pre-existing non-Federal financial assistance programs, including—

(A) the amount contributed to a student scholarship fund established under section 404E; and

(B) the amount of the costs of administering the scholarship program under section 404E;

(2) the amount of tuition, fees, room or board waived or reduced for recipients of financial assistance under this chapter;

(3) the amount expended on documented, targeted, long-term mentoring and counseling provided by volunteers or paid staff of nonschool organizations, including businesses, religious organizations, community groups, postsecondary educational institutions, nonprofit and philanthropic organizations, and other organizations; and

(4) other resources recognized by the Secretary, including equipment and supplies, cash contributions from non-Federal sources, transportation expenses, in-kind or discounted program services, indirect costs, and facility usage.

[(d) PEER REVIEW PANELS.—The Secretary shall convene peer review panels to assist in making determinations regarding the awarding of grants under this chapter.]

(d) PEER REVIEW PANELS AND COMPETITIONS.—The Secretary shall—

(1) convene peer review panels to assist in making determinations regarding the awarding of grants under this chapter; and

(2) host a grant competition to make new awards under this chapter in any year in which there are funds available to make new awards.

SEC. 404D. ACTIVITIES.

(a) REQUIRED ACTIVITIES.—Each eligible entity receiving a grant under this chapter shall provide comprehensive mentoring, outreach, and supportive services to students participating in the pro-

grams under this chapter. Such activities shall include the following:

(1) Providing information regarding financial aid for postsecondary education to participating students in the cohort described in section 404B(d)(1)(A) or to priority students described in subsection (d).

(2) Encouraging student enrollment in rigorous and challenging curricula and coursework, in order to reduce the need for remedial coursework at the postsecondary level.

(3) Improving the number of participating students who—

(A) obtain a secondary school diploma; and

(B) complete applications for and enroll in a program of postsecondary education.

(4) In the case of an eligible entity described in section 404A(c)(1), providing for the scholarships described in section 404E.

(b) PERMISSIBLE ACTIVITIES FOR STATES AND PARTNERSHIPS.—An eligible entity that receives a grant under this chapter may use grant funds to carry out one or more of the following activities:

(1) Providing tutors and mentors, who may include adults [or former participants of a program under this chapter], *former participants of a program under this chapter, or peers and near peers*, for eligible students.

(2) Conducting outreach activities to recruit priority students described in subsection (d) to participate in program activities.

(3) Providing supportive *academic, social, and postsecondary planning* services to eligible students.

(4) Supporting the development or implementation of rigorous academic curricula, which may include college preparatory, Advanced Placement, or International Baccalaureate programs, and providing participating students access to rigorous core academic courses that reflect challenging State academic standards.

(5) Supporting dual or concurrent enrollment programs between the secondary school and institution of higher education partners of an eligible entity described in section 404A(c)(2), and other activities that support participating students in—

(A) meeting challenging State academic standards;

(B) successfully applying for postsecondary education;

(C) successfully applying for student financial aid; and

(D) developing graduation and career plans.

(6) Providing special programs or tutoring in science, technology, engineering, or mathematics.

(7) In the case of an eligible entity described in section 404A(c)(2), providing support for scholarships described in section 404E.

(8) Introducing eligible students to institutions of higher education, through trips and school-based sessions.

(9) Providing an intensive extended school day, school year, or summer program that offers—

(A) additional academic classes; or

(B) assistance with college admission applications.

(10) Providing other activities designed to ensure secondary school completion and postsecondary education enrollment of at-risk children, such as—

(A) the identification of at-risk children;

(B) after-school and summer tutoring;

(C) assistance to at-risk children in obtaining summer jobs;

(D) academic counseling;

(E) counseling or referral services to address the behavioral, social-emotional, and mental health needs of at-risk students;

[(E)] *(F)* financial literacy and economic literacy education or counseling;

[(F)] *(G)* volunteer and parent involvement;

[(G)] *(H)* encouraging former or current participants of a program under this chapter to serve as peer counselors;

[(H)] *(I)* skills*, cognitive, non-cognitive, and credit-by-examination* assessments;

[(I)] *(J)* personal and family counseling, and home visits;

[(J)] *(K)* staff development; [and]

[(K)] *(L)* programs and activities described in this subsection that are specially designed for students who are limited English proficient[.]*; and*

(M) capacity building activities that create college-going cultures in participating schools and local educational agencies.

(11) Enabling eligible students to enroll in Advanced Placement or International Baccalaureate courses, or college entrance examination preparation courses.

(12) Providing services to eligible students in the participating cohort described in section 404B(d)(1)(A), through the first year of attendance at an institution of higher education.

(13) Fostering and improving parent and family involvement in elementary and secondary education by promoting the advantages of a college education, and emphasizing academic admission requirements and the need to take college preparation courses, through parent engagement and leadership activities.

(14) Disseminating information that promotes the importance of higher education, explains college preparation and admission requirements, and raises awareness of the resources and services provided by the eligible entities to eligible students, their families, and communities.

(15) In the event that matching funds described in the application are no longer available, engaging entities described in section 404A(c)(2) in a collaborative manner to provide matching resources and participate in other activities authorized under this section.

(16) Creating or expanding secondary school drop-out recovery programs that allow students who have dropped out of secondary school to complete a regular secondary school diploma and begin college-level work.

(17) Establishing data collection and data sharing agreements to obtain, analyze, and report postsecondary outcome data for eligible students for a period of not more than 72 months after the end of the grant award period, which may include postsecondary enrollment, persistence, and completion data.

(18) Establishing or maintaining an agreement with a consortium of eligible entities described in section 404A(c) to—

(A) foster collaborative approaches to research and evaluation;

(B) improve the quality of data collection, data sharing, analysis and reporting; and

(C) apply evidence to improve programs and evaluation under this chapter.

(19) Facilitating the recruitment, participation, and retention of homeless individuals (as defined in section 402A) and foster care youth in the services provided under this chapter, including—

(A) establishing partnerships with community-based organizations, child welfare agencies, homeless shelters, and local educational agency liaisons for homeless individuals to identify such individuals and youth, improve policies and practices, and to establish data sharing agreements;

(B) carrying out activities (consistent with the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301 et seq.)) to facilitate continued participation of students who are no longer enrolled in a school served under this chapter due to changes in residence resulting from homelessness or foster care placement, including—

(i) allowing continued participation when such a student is no longer enrolled, on a temporary basis, in a school served under this chapter; or

(ii) providing transitional services and referrals when such a student is no longer enrolled, on a permanent basis, in a school served under this chapter; and

(C) carrying out other activities to meet the needs of such homeless individuals and foster care youth.

(20) Providing services under this chapter to students who have received services under a previous grant award under this chapter but have not yet completed grade 12.

(c) ADDITIONAL PERMISSIBLE ACTIVITIES FOR STATES.—In addition to the required activities described in subsection (a) and the permissible activities described in subsection (b), an eligible entity described in section 404A(c)(1) receiving funds under this chapter may use grant funds to carry out one or more of the following activities:

(1) Providing technical assistance to—

(A) secondary schools that are located within the State; or

(B) partnerships described in section 404A(c)(2) that are located within the State.

(2) Providing professional development opportunities to individuals working with eligible cohorts of students described in section 404B(d)(1)(A).

(3) Providing administrative support *and technical assistance* to help build the capacity of eligible entities described in section 404A(c)(2) to compete for and manage grants awarded under this chapter.

(4) Providing strategies and activities that align efforts in the State to prepare eligible students to attend and succeed in

postsecondary education, which may include the development of graduation and career plans.

(5) Disseminating information on the use of scientifically valid research and best practices to improve services for eligible students.

(6)(A) Disseminating information on effective coursework and support services that assist students in obtaining the goals described in subparagraph (B)(ii).

(B) Identifying and disseminating information on best practices with respect to—

(i) increasing parental involvement; and

(ii) preparing students, including students with disabilities and students who are limited English proficient, to succeed academically in, and prepare financially for, postsecondary education.

(7) Working to align State academic standards and curricula with the expectations of postsecondary institutions and employers.

(8) Developing alternatives to traditional secondary school that give students a head start on attaining a recognized postsecondary credential (including an industry-recognized certificate, an apprenticeship, or an associate's or a bachelor's degree), including school designs that give students early exposure to college-level courses and experiences and allow students to earn transferable college credits or an associate's degree at the same time as a secondary school diploma.

[(9) Creating community college programs for drop-outs that are personalized drop-out recovery programs that allow drop-outs to complete a regular secondary school diploma and begin college-level work.**]**

(d) PRIORITY STUDENTS.—For eligible entities not using a cohort approach, the eligible entity shall treat as a priority student any student in secondary school who is—

(1) eligible to be counted under section 1124(c) of the Elementary and Secondary Education Act of 1965;

(2) eligible for assistance under a State program funded under part A or E of title IV of the Social Security Act (42 U.S.C. 601 et seq., 670 et seq.);

(3) eligible for assistance under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.); **[**or**]**

(4) eligible for free or reduced-price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.); or

[(4)**]** *(5)* otherwise considered by the eligible entity to be a disconnected student.

(e) ALLOWABLE PROVIDERS.—In the case of eligible entities described in section 404A(c)(1), the activities required by this section may be provided by service providers such as community-based organizations, schools, institutions of higher education, public and private agencies, nonprofit and philanthropic organizations, businesses, institutions and agencies sponsoring programs authorized under subpart 4, and other organizations the State determines appropriate.

SEC. 404E. SCHOLARSHIP COMPONENT.

(a) IN GENERAL.—

(1) STATES.—In order to receive a grant under this chapter, an eligible entity described in section 404A(c)(1) shall establish or maintain a financial assistance program that awards scholarships to students in accordance with the requirements of this section. The Secretary shall encourage the eligible entity to ensure that a scholarship provided pursuant to this section is available to an eligible student for use at any institution of higher education.

(2) APPLICATION REQUIREMENTS.—

(A) PLAN FOR MAINTENANCE OF FINANCIAL ASSISTANCE.—An eligible entity proposing to establish or maintain a financial assistance program providing scholarships for students assisted by the program of the eligible entity under this chapter shall include a plan regarding the financial application program with the application submitted under section 404C.

(B) SCHOLARSHIP DETAILS.—Under a plan described in subparagraph (A), an eligible entity—

(i) may elect to offer 1 or more types of scholarships; and

(ii) shall describe, for each type of scholarship—

(I) the minimum and maximum awards for the scholarships, consistent with subsection (d), based on criteria and disbursement priorities established by the eligible entity;

(II) the duration of the scholarships, which may be single-year or multi-year awards;

(III) the enrollment requirements for participating students, which may include providing scholarships for participating students who are enrolled in an institution of higher education on less than a full-time basis during any award year; and

(IV) any additional student eligibility criteria established by the eligible entity for earning and maintaining scholarships under this section, including—

(aa) financial need;

(bb) meeting participation milestones in the activities offered by the eligible entity under section 404D;

(cc) meeting and maintaining satisfactory academic milestones; and

(dd) other criteria aligned with State and local goals to incentivize postsecondary readiness, access, and success.

[(2)**]** *(3)* PARTNERSHIPS.—An eligible entity described in section 404A(c)(2) **[**may award**]** *may use not less than 10 percent and not more than 50 percent of funds made available under this chapter to award* scholarships to eligible students in accordance with the requirements of this section.

(b) **[**LIMITATION**]** *STATE LIMITATION.*—

(1) IN GENERAL.—Subject to paragraph (2), each eligible entity described in section 404A(c)(1) that receives a grant under

this chapter shall use not less than 25 percent and not more than 50 percent of the grant funds for activities described in section 404D (except for the activity described in subsection (a)(4) of such section), with the remainder of such funds to be used for a scholarship program under this section in accordance with such subsection.

(2) EXCEPTION.—Notwithstanding paragraph (1), the Secretary may allow an eligible entity to use more than 50 percent of grant funds received under this chapter for such activities, if the [eligible entity demonstrates that the eligible entity has another means of providing the students with the financial assistance described in this section and describes such means in the application submitted under section 404C.] *eligible entity—*

(A) demonstrates that the eligible entity has another means of providing the students with the financial assistance described in this section or eligible students have reasonable access to State and local financial assistance programs; and

(B) describes such means or access in the application submitted under section 404C.

(c) NOTIFICATION OF ELIGIBILITY.—Each eligible entity providing scholarships under this section shall provide information on the eligibility requirements for the scholarships to all participating students upon the students' entry into the programs assisted under this chapter.

(d) GRANT AMOUNTS.—The maximum amount of a scholarship that an eligible student shall be eligible to receive under this section shall be established by the eligible entity. The minimum amount of the scholarship for each fiscal year shall not be less than the minimum Federal Pell Grant award under section 401 for such award year.

(e) PORTABILITY OF ASSISTANCE.—

[(1) IN GENERAL.—Each eligible entity described in section 404A(c)(1) that receives a grant under this chapter shall hold in reserve, for the students served by such grant as described in section 404B(d)(1)(A) or 404D(d), an amount that is not less than the minimum scholarship amount described in subsection (d), multiplied by the number of students the eligible entity estimates will meet the requirements of paragraph (2).]

(1) IN GENERAL.—

(A) SCHOLARSHIP PLAN.—Each eligible entity described in section 404A(c)(1) that receives a grant under this chapter shall hold in reserve, for the students served by such grant as described in section 404B(d)(1)(A) or 404D(d), an estimated amount that is based on the eligible entity's scholarship plan described in subsection (a)(1).

(B) INTEREST USE.—Interest earned on funds held in reserve under subparagraph (A) may be used by the eligible entity to administer the scholarship program during the award period and through the post-award period described in paragraph (4).

(2) REQUIREMENT FOR PORTABILITY.—Funds held in reserve under paragraph (1) shall be made available to an eligible student when the eligible student has—

(A) completed a secondary school diploma, its recognized equivalent, or another recognized alternative standard for individuals with disabilities; and

(B) enrolled*, or been accepted for enrollment,* in an institution of higher education.

(3) QUALIFIED EDUCATIONAL EXPENSES.—Funds available to an eligible student under this subsection may be used for—

(A) tuition, fees, books, supplies, and equipment required for the enrollment or attendance of the eligible student at an institution of higher education; [and]

(B) the costs associated with enrolling in an institution of higher education; and

[(B)] *(C)* in the case of an eligible student with special needs, expenses for special needs services that are incurred in connection with such enrollment or attendance.

(4) RETURN OF FUNDS.—

(A) REDISTRIBUTION.—

(i) IN GENERAL.—Funds held in reserve under paragraph (1) that are not used by an eligible student within six years of the student's scheduled completion of secondary school may be redistributed by the eligible entity to other eligible students.

(ii) RETURN OF EXCESS TO THE SECRETARY.—If, after meeting the requirements of paragraph (1) and, if applicable, redistributing excess funds in accordance with clause (i) of this subparagraph, an eligible entity has funds held in reserve under paragraph (1) that remain available, the eligible entity shall return such remaining reserved funds to the Secretary for distribution to other grantees under this chapter in accordance with the funding rules described in section 404B(a).

(B) NONPARTICIPATING ENTITY.—Notwithstanding subparagraph (A), in the case of an eligible entity that does not receive assistance under this subpart for six fiscal years, the eligible entity shall return any funds held in reserve under paragraph (1) that are not awarded or obligated to eligible students to the Secretary for distribution to other grantees under this chapter.

(f) RELATION TO OTHER ASSISTANCE.—Scholarships provided under this section shall not be considered for the purpose of awarding Federal grant assistance under this title, except that in no case shall the total amount of student financial assistance awarded to a student under this title exceed such student's total cost of attendance.

(g) ELIGIBLE STUDENTS.—A student eligible for assistance under this section is a student who—

(1) is less than 22 years old at time of first scholarship award under this section;

(2) receives a secondary school diploma or its recognized equivalent on or after January 1, 1993;

(3) is enrolled or accepted for enrollment in a program of undergraduate instruction at an institution of higher education *or, if the eligible entity chooses, in another program of study or credential program for which an individual could use funds re-*

ceived under a Federal Pell Grant to attend, that is located within the State's boundaries, [except that, at the State's option] *except that, at the eligible entity's option*, an eligible entity may offer scholarship program portability for recipients who attend institutions of higher education outside such State; and

(4) who participated in the activities required under section 404D(a) *and qualifies for an award, consistent with the eligible entity's scholarship plan as described in subsection (a)(2).*

* * * * * * *

SEC. 404G. EVALUATION AND REPORT.

(a) EVALUATION.—Each eligible entity receiving a grant under this chapter shall biennially evaluate the activities assisted under this chapter in accordance with the standards described in subsection (b) and shall submit to the Secretary a copy of such evaluation. The evaluation shall permit service providers to track eligible student progress during the period such students are participating in the activities and shall be consistent with the standards developed by the Secretary pursuant to subsection (b).

(b) EVALUATION STANDARDS.—The Secretary shall prescribe standards for the evaluation described in subsection (a). Such standards shall—

(1) provide for input from eligible entities and service providers; [and]

(2) ensure that data protocols and procedures are consistent and uniform[.]*; and*

(3) include the following metrics:

(A) The number of students completing the Free Application for Federal Student Aid under section 483.

(B) If applicable, the number of students receiving a scholarship under section 404E.

(C) The graduation rate of participating students from high school.

(D) The enrollment of participating students in postsecondary education.

(E) Such other metrics as the Secretary may require.

(c) REPORT ON HOMELESS INDIVIDUALS AND FOSTER CARE YOUTH.—Each eligible entity that receives a grant under section 404A shall, at the conclusion of such grant, prepare and submit a report to the Secretary that includes—

(1) where available, the number of homeless individuals (as defined in section 402A) and foster care youth served through the program; and

(2) a description of any strategies or program enhancements that were used by the eligible entity in carrying out the program that were effective in meeting the needs of such homeless individuals and foster care youth.

[(c)] *(d)*In order to evaluate and improve the impact of the activities assisted under this chapter, the Secretary shall, *after consultation with the community of eligible entities receiving grants under this chapter and* from not more than [0.75] *1* percent of the funds appropriated under section 404H for a fiscal year, award one or more grants, contracts, or cooperative agreements to or with public and private institutions and organizations, to enable the institutions and organizations to [evaluate the effectiveness of the

program and, as appropriate, disseminate the results of the evaluation. Such evaluation shall include a separate analysis of]—

(1) provide pre-application technical assistance workshops for eligible entities and potential applicants in any year in which new awards are expected to be made;

(2) support initiatives designed to improve the research, data collection and infrastructure, and evaluation capacity of eligible entities; and

(3) evaluate the effectiveness of the program and, as appropriate, disseminate the results of the evaluation. Such evaluation may include a separate analysis of—

[(1)] *(A)* the implementation of the scholarship component described in section 404E; and

[(2)] *(B)* the use of methods for complying with matching requirements described in paragraphs (1) and (2) of section 404C(c).

[(d)] *(e)* REPORT.—The Secretary shall biennially report to Congress regarding the activities assisted under this chapter and the evaluations conducted pursuant to this section.

SEC. 404H. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this chapter [$400,000,000 for fiscal year 2009] *$500,000,000 for fiscal year 2021* and such sums as may be necessary for each of the five succeeding fiscal years.

SUBPART 3—FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS

SEC. 413A. PURPOSE; APPROPRIATIONS AUTHORIZED.

[(a) PURPOSE OF SUBPART.—It is the purpose of this subpart to provide, through institutions of higher education, supplemental grants to assist in making available the benefits of postsecondary education to qualified students who demonstrate financial need in accordance with the provisions of part F of this title.]

(a) PURPOSE OF SUBPART.—It is the purpose of this subpart to—

(1) provide, through institutions of higher education, supplemental grants to assist in making available the benefits of postsecondary education to qualified students who demonstrate financial need in accordance with the provisions of part F of this title; and

(2) to establish grant programs at various institutions of higher education, as defined in section 101, to determine best practices and policies regarding the distribution of emergency grant aid to assist students in completing their program of study, notwithstanding aid they may have received in accordance with the provisions of part F of this title.

(b) AUTHORIZATION OF APPROPRIATIONS.—(1) For the purpose of enabling the Secretary to make payments to institutions of higher education which have made agreements with the Secretary in accordance with section 413C(a), for use by such institutions for payments to undergraduate students of supplemental grants awarded to them under this subpart, there are authorized to be [appropriated such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.] *appropriated—*

(A) $1,150,000,000 for fiscal year 2021;

(B) $1,300,000,000 for fiscal year 2022;
(C) $1,450,000,000, for fiscal year 2023;
(D) $1,600,000,000 for fiscal year 2024; and
(E) $1,750,000,000 for fiscal year 2025 and each succeeding fiscal year.

(2) For the purpose of enabling the Secretary to fund emergency grant aid programs under section 420DD, there are allocated, from funds authorized under paragraph (b)(1), $12,500,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

[(2)] *(3)* Sums appropriated pursuant to this subsection for any fiscal year shall be available for payments to institutions until the end of the second fiscal year succeeding the fiscal year for which such sums were appropriated.

* * * * * * *

SEC. 413C. AGREEMENTS WITH INSTITUTIONS; SELECTION OF RECIPIENTS.

(a) INSTITUTIONAL ELIGIBILITY.—Assistance may be made available under this subpart only to an institution which—

(1) has, in accordance with section 487, an agreement with the Secretary applicable to this subpart;

(2) [agrees] *except as provided in paragraph (4), agrees* that the Federal share of awards under this subpart will not exceed 75 percent of such awards, except that the Federal share may be exceeded if the Secretary determines, pursuant to regulations establishing objective criteria for such determinations, that a larger Federal share is required to further the purpose of this subpart; [and]

(3) agrees that the non-Federal share of awards made under this subpart shall be made from the institution's own resources, including—

(A) institutional grants and scholarships;
(B) tuition or fee waivers;
(C) State scholarships; and
(D) foundation or other charitable organization funds[.]*; and*

(4) agrees that the Federal share of an award under this subpart to an institution eligible for assistance under title III or title V shall equal 100 percent of such award.

(b) ELIGIBILITY FOR SELECTION.—Awards may be made under this subpart only to a student who—

(1) is an eligible student under section 484; and

(2) makes application at a time and in a manner consistent with the requirements of the Secretary and that institution.

(c) SELECTION OF INDIVIDUALS AND DETERMINATION OF AMOUNT OF AWARDS.—(1) From among individuals who are eligible for supplemental grants for each fiscal year, the institution shall, in accordance with the agreement under section 487, and within the amount allocated to the institution for that purpose for that year under section 413D, select individuals who are to be awarded such grants and determine, in accordance with section 413B, the amounts to be paid to them.

(2)(A) In carrying out paragraph (1) of this subsection, each institution of higher education shall, in the agreement made under section 487, assure that the selection procedures—

(i) will be designed to award supplemental grants under this subpart, first, to students with exceptional need, and

(ii) will give a priority for supplemental grants under this subpart to students who receive Pell Grants and meet the requirements of section 484.

(B) For the purpose of subparagraph (A), the term "students with exceptional need" means students with the lowest expected family contributions at the institution.

(d) USE OF FUNDS FOR LESS-THAN-FULL-TIME STUDENTS.—If the institution's allocation under this subpart is directly or indirectly based in part on the financial need demonstrated by students who are independent students or attending the institution on less than a full-time basis, then a reasonable proportion of the allocation shall be made available to such students.

(e) USE AND TRANSFER OF FUNDS FOR ADMINISTRATIVE EXPENSES.—An agreement entered into pursuant to this section shall provide that funds granted to an institution of higher education may be used only to make payments to students participating in a grant program authorized under this subpart, except that an institution may use a portion of the sums allocated to it under this subpart to meet administrative expenses in accordance with section 489 of this title.

[SEC. 413D. ALLOCATION OF FUNDS.

[(a) ALLOCATION BASED ON PREVIOUS ALLOCATION.—(1) From the amount appropriated pursuant to section 413A(b) for each fiscal year, the Secretary shall first allocate to each eligible institution an amount equal to 100 percent of the amount such institution received under subsections (a) and (b) of this section for fiscal year 1999 (as such subsections were in effect with respect to allocations for such fiscal year).

[(2)(A) From the amount so appropriated, the Secretary shall next allocate to each eligible institution that began participation in the program under this subpart after fiscal year 1999 but is not a first or second time participant, an amount equal to the greater of—

[(i) $5,000; or

[(ii) 90 percent of the amount received and used under this subpart for the first year it participated in the program.

[(B) From the amount so appropriated, the Secretary shall next allocate to each eligible institution that began participation in the program under this subpart after fiscal year 1999 and is a first or second time participant, an amount equal to the greatest of—

[(i) $5,000;

[(ii) an amount equal to (I) 90 percent of the amount received and used under this subpart in the second preceding fiscal year by eligible institutions offering comparable programs of instruction, divided by (II) the number of students enrolled at such comparable institutions in such fiscal year, multiplied by (III) the number of students enrolled at the applicant institution in such fiscal year; or

[(iii) 90 percent of the institution's allocation under this part for the preceding fiscal year.

[(C) Notwithstanding subparagraphs (A) and (B) of this paragraph, the Secretary shall allocate to each eligible institution which

[(i) was a first-time participant in the program in fiscal year 2000 or any subsequent fiscal year, and

[(ii) received a larger amount under this subsection in the second year of participation,

an amount equal to 90 percent of the amount it received under this subsection in its second year of participation.

[(3)(A) If the amount appropriated for any fiscal year is less than the amount required to be allocated to all institutions under paragraph (1) of this subsection, then the amount of the allocation to each such institution shall be ratably reduced.

[(B) If the amount appropriated for any fiscal year is more than the amount required to be allocated to all institutions under paragraph (1) but less than the amount required to be allocated to all institutions under paragraph (2), then—

[(i) the Secretary shall allot the amount required to be allocated to all institutions under paragraph (1), and

[(ii) the amount of the allocation to each institution under paragraph (2) shall be ratably reduced.

[(C) If additional amounts are appropriated for any such fiscal year, such reduced amounts shall be increased on the same basis as they were reduced (until the amount allocated equals the amount required to be allocated under paragraphs (1) and (2) of this subsection).

[(4)(A) Notwithstanding any other provision of this section, the Secretary may allocate an amount equal to not more than 10 percent of the amount by which the amount appropriated in any fiscal year to carry out this part exceeds $700,000,000 among eligible institutions described in subparagraph (B).

[(B) In order to receive an allocation pursuant to subparagraph (A) an institution shall be an eligible institution from which 50 percent or more of the Pell Grant recipients attending such eligible institution graduate from or transfer to a 4-year institution of higher education.

[(b) ALLOCATION OF EXCESS BASED ON FAIR SHARE.—(1) From the remainder of the amount appropriated pursuant to section 413A(b) for each year (after making the allocations required by subsection (a)), the Secretary shall allocate to each eligible institution which has an excess eligible amount an amount which bears the same ratio to such remainder as such excess eligible amount bears to the sum of the excess eligible amounts of all such eligible institutions (having such excess eligible amounts).

[(2) For any eligible institution, the excess eligible amount is the amount, if any, by which—

[(A)(i) the amount of that institution's need (as determined under subsection (c)), divided by (ii) the sum of the need of all institutions (as so determined), multiplied by (iii) the amount appropriated pursuant to section 413A(b) of the fiscal year; exceeds

[(B) the amount required to be allocated to that institution under subsection (a).

[(c) DETERMINATION OF INSTITUTION'S NEED.—(1) The amount of an institution's need is equal to—

[(A) the sum of the need of the institution's eligible undergraduate students; minus

[(B) the sum of grant aid received by students under subparts 1 and 3 of this part.

[(2) To determine the need of an institution's eligible undergraduate students, the Secretary shall—

[(A) establish various income categories for dependent and independent undergraduate students;

[(B) establish an expected family contribution for each income category of dependent and independent undergraduate students, determined on the basis of the average expected family contribution (computed in accordance with part F of this title) of a representative sample within each income category for the second preceding fiscal year;

[(C) compute 75 percent of the average cost of attendance for all undergraduate students;

[(D) multiply the number of eligible dependent students in each income category by 75 percent of the average cost of attendance for all undergraduate students determined under subparagraph (C), minus the expected family contribution determined under subparagraph (B) for that income category, except that the amount computed by such subtraction shall not be less than zero;

[(E) add the amounts determined under subparagraph (D) for each income category of dependent students;

[(F) multiply the number of eligible independent students in each income category by 75 percent of the average cost of attendance for all undergraduate students determined under subparagraph (C), minus the expected family contribution determined under subparagraph (B) for that income category, except that the amount computed by such subtraction shall not be less than zero;

[(G) add the amounts determined under subparagraph (F) for each income category of independent students; and

[(H) add the amounts determined under subparagraphs (E) and (G).

[(3)(A) For purposes of paragraph (2), the term "average cost of attendance" means the average of the attendance costs for undergraduate students which shall include (i) tuition and fees determined in accordance with subparagraph (B), (ii) standard living expenses determined in accordance with subparagraph (C), and (iii) books and supplies determined in accordance with subparagraph (D).

[(B) The average undergraduate tuition and fees described in subparagraph (A)(i) shall be computed on the basis of information reported by the institution to the Secretary, which shall include (i) total revenue received by the institution from undergraduate tuition and fees for the second year preceding the year for which it is applying for an allocation, and (ii) the institution's enrollment for such second preceding year.

[(C) The standard living expense described in subparagraph (A)(ii) is equal to 150 percent of the difference between the income protection allowance for a family of five with one in college and the income protection allowance for a family of six with one in college for a single independent student.

[(D) The allowance for books and supplies described in subparagraph (A)(iii) is equal to $600.

[(d) REALLOCATION OF EXCESS ALLOCATIONS.—(1) If an institution returns to the Secretary any portion of the sums allocated to such institution under this section for any fiscal year the Secretary shall, in accordance with regulations, reallocate such excess to other institutions.

[(2) If under paragraph (1) of this subsection an institution returns more than 10 percent of its allocation, the institution's allocation for the next fiscal year shall be reduced by the amount returned. The Secretary may waive this paragraph for a specific institution if the Secretary finds that enforcing this paragraph would be contrary to the interest of the program.

[(e) FILING DEADLINES.—The Secretary shall, from time to time, set dates before which institutions must file applications for allocations under this part.]

SEC. 413D. ALLOCATION OF FUNDS.

(a) ALLOCATION FORMULA FOR FISCAL YEARS 2021 THROUGH 2025.—

(1) IN GENERAL.—From the amount appropriated under section 413A(b)(1) for a fiscal year, the Secretary shall allocate to each institution—

(A) for fiscal year 2021, an amount equal to the greater of—

(i) 90 percent of the amount the institution received under subsection (a) for fiscal year 2020, as such subsection was in effect with respect to such fiscal year (in this subparagraph referred to as "the 2020 amount for the institution"); or

(ii) the fair share amount for the institution determined under subsection (c);

(B) for fiscal year 2022, an amount equal to the greater of—

(i) 80 percent of the 2020 amount for the institution; or

(ii) the fair share amount for the institution determined under subsection (c);

(C) for fiscal year 2023, an amount equal to the greater of—

(i) 60 percent of the fiscal year 2020 amount for the institution; or

(ii) the fair share amount for the institution determined under subsection (c);

(D) for fiscal year 2024, an amount equal to the greater of—

(i) 40 percent of the 2020 amount for the institution; or

(ii) the fair share amount for the institution determined under subsection (c); and

(E) for fiscal year 2025, an amount equal to the greater of—

(i) 20 percent of the 2020 amount for the institution; or

(ii) the fair share amount for the institution determined under subsection (c).

(2) RATABLE REDUCTION.—

(A) IN GENERAL.—If the amount appropriated under section 413A(b)(1) for a fiscal year is less than the amount required to be allocated to the institutions under this subsection, then the amount of the allocation to each institution shall be ratably reduced.

(B) ADDITIONAL APPROPRIATIONS.—If the amounts allocated to each institution are ratably reduced under subparagraph (A) for a fiscal year and additional amounts are appropriated for such fiscal year, the amount allocated to each institution from the additional amounts shall be increased on the same basis as the amounts under subparagraph (A) were reduced (until each institution receives the amount required to be allocated under this subsection).

(b) ALLOCATION FORMULA FOR FISCAL YEAR 2026 AND EACH SUCCEEDING FISCAL YEAR.—From the amount appropriated under section 413A(b)(1) for fiscal year 2026 and each succeeding fiscal year, the Secretary shall allocate to each institution the fair share amount for the institution determined under subsection (c).

(c) DETERMINATION OF FAIR SHARE AMOUNT.—

(1) IN GENERAL.—Subject to paragraph (2), the fair share amount for an institution for a fiscal year shall be equal to the sum of the institution's undergraduate student need described in paragraph (2) for the preceding fiscal year.

(2) INSTITUTIONAL UNDERGRADUATE STUDENT NEED CALCULATION.—The institutional undergraduate student need for an institution for a fiscal year shall be equal to the sum of the following:

(A) An amount equal to 50 percent of the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of Federal Pell Grant funds awarded at the institution for the preceding fiscal year bears to the total amount of Federal Pell Grant funds awarded at all institutions participating under this part for the preceding fiscal year.

(B) An amount equal to 50 percent of the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of the undergraduate student need at the institution for the preceding fiscal year bears to the total amount of undergraduate student need at all institutions participating under this part for the preceding fiscal year.

(3) ELIGIBILITY FOR FAIR SHARE AMOUNT.—The Secretary may not allocate funds under this subpart to any institution that, for 2 or more fiscal years during any 3 fiscal year period beginning not earlier than the first day of the first fiscal year that is 2 years after the date of the enactment of this paragraph, has a student population with less than 7 percent of undergraduate students who are recipients of Federal Pell Grants.

(d) DEFINITIONS.—In this section:

(1) AVERAGE COST OF ATTENDANCE.—The term "average cost of attendance" has the meaning given the term in section 4202(e)(5)(B).

(2) UNDERGRADUATE STUDENT NEED.—The term "undergraduate student need" means, with respect to an undergraduate student for an award year, the lesser of the following:

(A) The total of the amount equal to (except the amount computed by this clause shall not be less than zero)—

(i) the average cost of attendance for the award year, minus

(ii) such undergraduate student's expected family contribution (computed in accordance with part F of this title) for the preceding award year.

(B) The total loan annual limit for a Federal Direct Unsubsidized Stafford Loan and a Federal Direct Loan.

* * * * * * *

SUBPART 5—SPECIAL PROGRAMS FOR STUDENTS WHOSE FAMILIES ARE ENGAGED IN MIGRANT AND SEASONAL FARMWORK

SEC. 418A. MAINTENANCE AND EXPANSION OF EXISTING PROGRAMS.

(a) PROGRAM AUTHORITY.—The Secretary shall maintain and expand existing secondary and postsecondary high school equivalency program and college assistance migrant program projects located at institutions of higher education or at private nonprofit organizations working in cooperation with institutions of higher education.

(b) SERVICES PROVIDED BY HIGH SCHOOL EQUIVALENCY PROGRAM.—The services authorized by this subpart for the high school equivalency program include—

(1) recruitment services to reach persons—

(A)(i) who are 16 years of age and over; or

(ii) who are beyond the age of compulsory school attendance in the State in which such persons reside and are not enrolled in school;

(B)(i) who themselves, or whose immediate family, have spent a minimum of 75 days during the past 24 months in migrant and seasonal farmwork; or

(ii) who are eligible to participate, or have participated within the preceding 2 years, in programs under part C of title I of the Elementary and Secondary Education Act of 1965 or section 167 of the Workforce Innovation and Opportunity Act; and

(C) who lack a high school diploma or its equivalent;

(2) educational services which provide instruction designed to help students obtain a general education diploma which meets the guidelines established by the State in which the project is located for high school equivalency;

(3) supportive services which include the following:

(A) personal, vocational, and academic counseling;

(B) placement services designed to place students in a university, college, or junior college program (including preparation for college entrance examinations), or in military service or career positions; and

(C) health services;

(4) information concerning, and assistance in obtaining, available student financial aid;

(5) stipends for high school equivalency program participants;

(6) housing for those enrolled in residential programs;

(7) exposure to cultural events, academic programs, and other educational and cultural activities usually not available to migrant youth;

(8) other essential supportive services (such as transportation and child care), as needed to ensure the success of eligible students; and

(9) other activities to improve persistence and retention in postsecondary education.

(c) SERVICES PROVIDED BY COLLEGE ASSISTANCE MIGRANT PROGRAM.—(1) Services authorized by this subpart for the college assistance migrant program include—

(A) outreach and recruitment services to reach persons who themselves or whose immediate family have spent a minimum of 75 days during the past 24 months in migrant and seasonal farmwork or who have participated or are eligible to participate, in programs under part C of title I of the Elementary and Secondary Education Act of 1965 or section 167 of the Workforce Innovation and Opportunity Act, and who meet the minimum qualifications for attendance at a college or university;

(B) supportive and instructional services to improve placement, persistence, and retention in postsecondary education, which include:

(i) personal, academic, career, and economic education or personal finance counseling as an ongoing part of the program;

(ii) tutoring and academic skill building instruction and assistance;

(iii) assistance with special admissions;

(iv) health services; and

(v) other services as necessary to assist students in completing program requirements;

(C) assistance in obtaining student financial aid which includes, but is not limited to:

(i) stipends;

(ii) scholarships;

(iii) student travel;

(iv) career oriented work study;

(v) books and supplies;

(vi) tuition and fees;

(vii) room and board; and

(viii) other assistance necessary to assist students in completing their first year of college;

(D) housing support for students living in institutional facilities and commuting students;

(E) exposure to cultural events, academic programs, and other activities not usually available to migrant youth;

(F) internships; and

(G) other essential supportive services (such as transportation and child care) as necessary to ensure the success of eligible students.

(2) A recipient of a grant to operate a college assistance migrant program under this subpart shall provide followup services for migrant students after such students have completed their first year of college, and shall not use more than 10 percent of such grant for such followup services. Such followup services may include—

(A) monitoring and reporting the academic progress of students who participated in the project during such student's first year of college and during such student's subsequent years in college;

(B) referring such students to on- or off-campus providers of counseling services, academic assistance, or financial aid, and coordinating such services, assistance, and aid with other non-program services, assistance, and aid, including services, assistance, and aid provided by community-based organizations, which may include mentoring and guidance; and

(C) for students attending two-year institutions of higher education, encouraging the students to transfer to four-year institutions of higher education, where appropriate, and monitoring the rate of transfer of such students.

(d) MANAGEMENT PLAN REQUIRED.—Each project application shall include a management plan which contains assurances that the grant recipient will coordinate the project, to the extent feasible, with other local, State, and Federal programs to maximize the resources available for migrant students, and that staff shall have a demonstrated knowledge and be sensitive to the unique characteristics and needs of the migrant and seasonal farmworker population, and provisions for:

(1) staff in-service training;

(2) training and technical assistance;

(3) staff travel;

(4) student travel;

(5) interagency coordination; and

(6) an evaluation plan.

(e) FIVE-YEAR GRANT PERIOD; CONSIDERATION OF PRIOR EXPERIENCE.—Except under extraordinary circumstances, the Secretary shall award grants for a 5-year period. For the purpose of making grants under this subpart, the Secretary shall consider the prior experience of service delivery under the particular project for which funds are sought by each applicant. Such prior experience shall be awarded the same level of consideration given this factor for applicants for programs in accordance with section 402A(c)(2).

(f) MINIMUM ALLOCATIONS.—The Secretary shall not allocate an amount less than—

(1) $180,000 for each project under the high school equivalency program, and

(2) $180,000 for each project under the college assistance migrant program.

(g) RESERVATION AND ALLOCATION OF FUNDS.—From the amounts made available under subsection (i), the Secretary—

(1) may reserve not more than a total of ½ of one percent for outreach activities, technical assistance, and professional development programs relating to the programs under subsection (a);

(2) for any fiscal year for which the amount appropriated to carry out this section is equal to or greater than $40,000,000, shall, in awarding grants from the remainder of such amounts—

(A) make available not less than 45 percent of such remainder for the high school equivalency programs and not

less than 45 percent of such remainder for the college assistance migrant programs;

(B) award the rest of such remainder for high school equivalency programs or college assistance migrant programs based on the number, quality, and promise of the applications; and

(C) consider the need to provide an equitable geographic distribution of such grants; and

(3) for any fiscal year for which the amount appropriated to carry out this section is less than $40,000,000, shall, in awarding grants from the remainder of such amounts make available the same percentage of funds to the high school equivalency program and to the college assistance migrant program as was made available for each such program for the fiscal year preceding the fiscal year for which the grant was made.

(h) DATA COLLECTION.—The Secretary shall—

(1) annually collect data on persons receiving services authorized under this subpart regarding such persons' rates of secondary school graduation, entrance into postsecondary education, and completion of postsecondary education, as applicable;

(2) not less often than once every two years, prepare and submit to the authorizing committees a report based on the most recently available data under paragraph (1); and

(3) make such report available to the public.

(i) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants and contracts under this section, there are authorized to be appropriated $75,000,000 for fiscal year [2009] *2021* and such sums as may be necessary for the each of the five succeeding fiscal years.

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Subpart 7—Child Care Access Means Parents in School

SEC. 419N. CHILD CARE ACCESS MEANS PARENTS IN SCHOOL.

(a) PURPOSE.—The purpose of this section is to support the participation of low-income parents in postsecondary education through the provision of campus-based child care services.

(b) PROGRAM AUTHORIZED.—

(1) AUTHORITY.—The Secretary may award grants to institutions of higher education to assist the institutions in providing campus-based child care services to low-income students.

(2) AMOUNT OF GRANTS.—

(A) IN GENERAL.—[The amount] *Except as provided in subparagraph (C), the amount* of a grant awarded to an institution of higher education under this section for a fiscal year shall not exceed [1 percent] *2 percent* of the total amount of all Federal Pell Grant funds awarded to students enrolled at the institution of higher education for the preceding fiscal year.

(B) MINIMUM.—

(i) IN GENERAL.—Except as provided in clause (ii), a grant under this section shall be awarded in an amount that is not less than $10,000.

(ii) INCREASE TRIGGER.—For any fiscal year for which the amount appropriated under the authority of [subsection (g)] *subsection (h)* is equal to or greater than $20,000,000, a grant under this section shall be awarded in an amount that is not less than $30,000.

(C) PERFORMANCE BONUS.—

(i) IN GENERAL.—Notwithstanding subparagraph (A), for any fiscal year for which the amount appropriated under subsection (h) is not less than $140,000,000, the Secretary may pay a performance bonus to an eligible institution of higher education.

(ii) MAXIMUM AMOUNT.—A bonus paid to an eligible institution of higher education under clause (i) for a fiscal year shall not exceed an amount equal to 20 percent of the amount of the annual grant payment received by the institution under paragraph (3)(B) for the fiscal year preceding the fiscal year for which the bonus is paid.

(iii) USE OF BONUS.—A bonus received by an institution under clause (i) shall be used by the institution in the same manner as a grant under this section and shall be treated as grant funds for purposes of the application of paragraph (5), except that the Secretary may extend the grant period as necessary for the institution to use such bonus.

(iv) ELIGIBLE INSTITUTION OF HIGHER EDUCATION.—In this subparagraph, the term "eligible institution of higher education" means an institution of higher education that—

(I) has received a grant under this section for not less than the period of three consecutive fiscal years preceding the fiscal year in which the bonus is paid under clause (i);

(II) for each such preceding fiscal year, has met or exceeded the performance levels established by the institution for such year under subsection (e)(1)(B)(v); and

(III) has demonstrated the need for such bonus.

(3) DURATION; RENEWAL; AND PAYMENTS.—

(A) DURATION.—The Secretary shall award a grant under this section for a period of [4 years] *5 years*.

(B) PAYMENTS.—Subject to [subsection (e)(2)] *subsection (e)(3)*, the Secretary shall make annual grant payments under this section.

(4) ELIGIBLE INSTITUTIONS.—An institution of higher education shall be eligible to receive a grant under this section for a fiscal year if the total amount of all Federal Pell Grant funds awarded to students enrolled at the institution of higher education for the preceding fiscal year equals or exceeds $350,000, except that for any fiscal year for which the amount appropriated to carry out this section is equal to or greater than

$20,000,000, this sentence shall be applied by substituting "$250,000" for "$350,000".

[(5) USE OF FUNDS.—Grant funds under this section shall be used by an institution of higher education to support or establish a campus-based child care program primarily serving the needs of low-income students enrolled at the institution of higher education. Grant funds under this section may be used to provide before and after school services to the extent necessary to enable low-income students enrolled at the institution of higher education to pursue postsecondary education.]

(5) USE OF FUNDS.—Grant funds under this section shall be used by an institution of higher education to support or establish a campus-based child care program primarily serving the needs of low-income students enrolled at the institution of higher education. Grant funds under this section may be used to provide the following services to the extent necessary to enable low-income students enrolled at the institution of higher education to pursue postsecondary education—

(A) evening, summer, weekend and before and after school services; and

(B) services to expectant parents, such as the provision of information regarding the relationship between prenatal health and early child development and the administration of a home visit closely following the birth of the child.

(6) CONSTRUCTION.—Nothing in this section shall be construed to prohibit an institution of higher education that receives grant funds under this section from serving the child care needs of the community served by the institution.

(7) DEFINITION OF LOW-INCOME STUDENT.—For the purpose of this section, the term "low-income student" means a student—

(A) who is eligible to receive a Federal Pell Grant for the award year for which the determination is made; or

(B) who would otherwise be eligible to receive a Federal Pell Grant for the award year for which the determination is made, except that the student fails to meet the requirements of—

(i) section 401(c)(1) because the student is enrolled in a graduate or first professional course of study; or

(ii) section [484(a)(5)] *484(a)(2)* because the student is in the United States for a temporary purpose.

(8) PUBLICITY.—The Secretary shall publicize the availability of grants under this section in appropriate periodicals, in addition to publication in the Federal Register, and shall inform appropriate educational organizations of such availability.

[(c) APPLICATIONS.—An institution of higher education desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall—

[(1) demonstrate that the institution is an eligible institution described in subsection (b)(4);

[(2) specify the amount of funds requested;

[(3) demonstrate the need of low-income students at the institution for campus-based child care services by including in the application—

[(A) information regarding student demographics;

[(B) an assessment of child care capacity on or near campus;

[(C) information regarding the existence of waiting lists for existing child care;

[(D) information regarding additional needs created by concentrations of poverty or by geographic isolation; and

[(E) other relevant data;

[(4) contain a description of the activities to be assisted, including whether the grant funds will support an existing child care program or a new child care program;

[(5) identify the resources, including technical expertise and financial support, the institution will draw upon to support the child care program and the participation of low-income students in the program, such as accessing social services funding, using student activity fees to help pay the costs of child care, using resources obtained by meeting the needs of parents who are not low-income students, and accessing foundation, corporate or other institutional support, and demonstrate that the use of the resources will not result in increases in student tuition;

[(6) contain an assurance that the institution will meet the child care needs of low-income students through the provision of services, or through a contract for the provision of services;

[(7) describe the extent to which the child care program will coordinate with the institution's early childhood education curriculum, to the extent the curriculum is available, to meet the needs of the students in the early childhood education program at the institution, and the needs of the parents and children participating in the child care program assisted under this section;

[(8) in the case of an institution seeking assistance for a new child care program—

[(A) provide a timeline, covering the period from receipt of the grant through the provision of the child care services, delineating the specific steps the institution will take to achieve the goal of providing low-income students with child care services;

[(B) specify any measures the institution will take to assist low-income students with child care during the period before the institution provides child care services; and

[(C) include a plan for identifying resources needed for the child care services, including space in which to provide child care services, and technical assistance if necessary;

[(9) contain an assurance that any child care facility assisted under this section will meet the applicable State or local government licensing, certification, approval, or registration requirements; and

[(10) contain a plan for any child care facility assisted under this section to become accredited within 3 years of the date the institution first receives assistance under this section.]

(c) APPLICATIONS.—

(1) IN GENERAL.—An institution of higher education desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by

such information as the Secretary may require. Such application shall—

(A) demonstrate that the institution is an eligible institution described in subsection (b)(4);

(B) specify the amount of funds requested;

(C) demonstrate the need of low-income students at the institution for campus-based child care services by including in the application—

(i) information regarding student demographics, including the share of students enrolled full-time;

(ii) an assessment of child care capacity on or near campus;

(iii) information regarding the waiting lists for child care services on or near campus;

(iv) information regarding additional needs created by concentrations of poverty or by geographic isolation;

(v) information about the number of low-income student parents being served through campus-based child care services; and

(vi) other relevant data;

(D) specify the estimated percentage of the institution's grant that will be used directly to subsidize the fee charged for on-campus and off-campus childcare, respectively, for low-income students;

(E) contain a description of the activities to be assisted, including whether the grant funds will support an existing child care program or a new child care program;

(F) identify the resources, including technical expertise and financial support, that the institution will draw upon to support the child care program and the participation of low-income students in the program (such as accessing social services funding, using student activity fees to help pay the costs of child care, using resources obtained by meeting the needs of parents who are not low-income students, and accessing foundation, corporate, or other institutional support) and demonstrate that the use of the resources will not result in increases in student tuition;

(G) contain an assurance that the institution will meet the child care needs of low-income students through the provision of services, or through a contract for the provision of services;

(H) describe the extent to which the child care program will coordinate with the institution's early childhood education curriculum, to the extent the curriculum is available, to meet the needs of the students in the early childhood education program at the institution, and the needs of the parents and children participating in the child care program assisted under this section;

(I) in the case of an institution seeking assistance for a new child care program—

(i) provide a timeline, covering the period from receipt of the grant through the provision of the child care services, delineating the specific steps the institution will take to achieve the goal of providing low-income students with child care services;

(ii) specify any measures the institution will take to assist low-income students with child care during the period before the institution provides child care services; and

(iii) include a plan for identifying resources needed for the child care services, including space in which to provide child care services, and technical assistance if necessary;

(J) contain an assurance that any child care facility assisted under this section will meet the applicable State and local government licensing, certification, approval, or registration requirements;

(K) in the case of an institution that is awarded a grant under this section after the date of the enactment of the College Affordability Act, provide an assurance that, not later than three years after the date on which such grant is awarded, any child care facility assisted with such grant will—

(i) meet Head Start performance standards under subchapter B of chapter 13 of title 45, Code of Federal Regulations (as in effect on the date of enactment of the College Affordability Act) and any successor regulations;

(ii) be in the top tier of the quality rating improvement system for such facilities used by the State in which the facility is located;

(iii) meet the licensing requirements of the State in which the facility is located and the quality requirements under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.); or

(iv) be accredited by a national early childhood accrediting body with demonstrated valid and reliable program quality standards;

(L) contain an assurance that the institution, when applicable, will make information available to students receiving child care services provided under this section about the eligibility of such students and their dependents for assistance under the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the special supplemental nutrition program for women, infants, and children under the Child Nutrition Act of 1966 (42 U.S.C. 1786), and the program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(M) contain an abstract summarizing the contents of such application and how the institution intends to achieve the purpose under subsection (a); and

(N) contain an assurance that the institution will provide information on the institution's website regarding the availability of child care subsidies for student parents and the dependent care cost allowance available to parents with dependent children in accordance with section 472.

(2) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance to eligible institutions to help such institutions qualify for, apply for, and maintain a grant under this section.

(d) PRIORITY.—The Secretary shall give priority in awarding grants under this section [to institutions of higher education that submit applications describing programs that]—

[(1) leverage significant local or institutional resources, including in-kind contributions, to support the activities assisted under this section; and]

(1) based on the extent to which institutions of higher education that submit applications for such a grant leverage local or institutional resources, including in-kind contributions, to support the activities assisted under this section;

(2) to institutions of higher education that, compared to other institutions of higher education that submit applications for such a grant, demonstrate a high likelihood of need for campus-based child care based on student demographics (such as a high proportion of low-income students or independent students); and

[(2)] *(3) to institutions of higher education that submit applications describing programs that* utilize a sliding fee scale for child care services provided under this section in order to support a high number of low-income parents pursuing postsecondary education at the institution.

(e) REPORTING REQUIREMENTS; CONTINUING ELIGIBILITY.—

(1) REPORTING REQUIREMENTS.—

(A) REPORTS.—Each institution of higher education receiving a grant under this section shall report to the Secretary annually.

(B) CONTENTS.—The report shall include—

(i) data on the population served under this section[;] *which shall include—*

(I) the number of full- and part-time students, respectively, receiving child care services under this section at least once per week during the academic year;

(II) the number of credits accumulated by students receiving such child care services; and

(III) the number of students receiving child care services under this section at least once per week during the academic year who—

(aa) remain enrolled at the institution during the academic year for which they received such services;

(bb) enroll at the institution for the following academic year; and

(cc) graduate or transfer within—

(AA) 150 percent of the normal time for completion of a student's four-year degree granting program; or

(BB) 200 percent of the normal time for completion of a student's two-year degree-granting program;

(ii) with respect to the total student enrollment at the institution and the total enrollment of low-income students at the institution, respectively—

(I) the rate at which students who complete an academic year at the institution re-enroll in the institution for the following academic year; and

(II) the percentage of students graduating or transferring within—

(aa) 150 percent of the normal time for completion of a student's four-year degree granting program; or

(bb) 200 percent of the normal time for completion of a student's two-year degree granting program;

(iii) the percentage of the institution's grant that was used directly to subsidize the fee charged for on-campus and off-campus childcare, respectively, for low-income students;

(iv) whether the institution restricts eligibility for child care services to only full-time students;

(v) the sufficiently ambitious levels of performance established for such year by the institution that demonstrate meaningful progress and allow for meaningful evaluation of program quality based on the information in clauses (i)(III) and (iii);

[(ii)**]** *(vi)* information on campus and community resources and funding used to help low-income students access child care services;

[(iii)**]** *(vii)* information on progress made toward accreditation of any child care facility; and

[(iv)**]** *(viii)* information on the impact of the grant on the quality, availability, and affordability of campus-based child care services.

(2) REPORT.—

(A) REPORT REQUIRED.—On an annual basis, the Secretary shall submit to the authorizing committees a report that includes—

(i) a summary of the information described in paragraph (1); and

(ii) each abstract submitted under subsection (c)(1)(M) by an institution of higher education that receives a grant under this section.

(B) PUBLIC AVAILABILITY.—The Secretary shall make each report submitted under subparagraph (A) publicly available.

[(2)**]** *(3)* CONTINUING ELIGIBILITY.—The Secretary shall make continuation awards under this section to an institution of higher education only if the Secretary determines, on the basis of the reports submitted under paragraph (1) *(other than the information provided under subparagraph (B)(v) of such paragraph)*, that the institution is making a good faith effort to ensure that low-income students at the institution have access to affordable, quality child care services.

(4) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to institutions of higher education receiving

grants under this section to help such institutions meet the reporting requirements under this subsection.

(f) CONSTRUCTION.—No funds provided under this section shall be used for construction, except for minor renovation or repair to meet applicable State or local health or safety requirements.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section **[**such sums as may be necessary for fiscal year 2009**]** *$200,000,000 for fiscal year 2021* and each of the five succeeding fiscal years.

Subpart 8—Jumpstart to College

SEC. 419O. DEFINITIONS.

In this subpart:

(1) ELIGIBLE ENTITY.—The term "eligible entity" means an institution of higher education in partnership with one or more local educational agencies (which may be an educational service agency). Such partnership may also include other entities such as nonprofit organizations or businesses, and schools in juvenile detention centers.

(2) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101 (20 U.S.C. 1001).

(3) ESEA TERMS.—The terms "dual or concurrent enrollment program", "early college high school", "educational service agency", "four-year adjusted cohort graduation rate", "local educational agency", "secondary school", and "State" have meanings given the terms in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(4) LOW-INCOME STUDENT.—The term "low-income student" means a student counted under section 1124(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333(c)).

(5) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term "recognized postsecondary credential" has the meaning given the term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

SEC. 419P. AUTHORIZATION OF APPROPRIATIONS; RESERVATIONS.

(a) IN GENERAL.—To carry out this subpart, there are authorized to be appropriated $250,000,000 for fiscal year 2021 and each of the five succeeding fiscal years.

(b) RESERVATIONS.—From the funds appropriated under subsection (a) for each fiscal year, the Secretary shall reserve—

(1) not less than 40 percent for grants to eligible entities under section 419Q;

(2) not less than 55 percent for grants to States under section 419R; and

(3) not less than 5 percent for national activities under section 419T.

SEC. 419Q. GRANTS TO ELIGIBLE ENTITIES.

(a) IN GENERAL.—The Secretary shall award grants to eligible entities, on a competitive basis, to assist such entities in establishing or supporting an early college high school or dual or concurrent enrollment program in accordance with this section.

(b) DURATION.—Each grant under this section shall be awarded for a period of 6 years.

(c) GRANT AMOUNT.—The Secretary shall ensure that the amount of each grant under this section is sufficient to enable each grantee to carry out the activities described in subsection (h), except that a grant under this section may not exceed $2,000,000.

(d) MATCHING REQUIREMENT.—

(1) IN GENERAL.—For each year that an eligible entity receives a grant under this section, the entity shall contribute matching funds, in the amounts described in paragraph (2), for the activities supported by the grant.

(2) AMOUNTS DESCRIBED.—The amounts described in this paragraph are—

(A) for each of the first and second years of the grant period, 20 percent of the grant amount;

(B) for each of the third and fourth years of the grant period, 30 percent of the grant amount;

(C) for the fifth year of the grant period, 40 percent of the grant amount; and

(D) for the sixth year of the grant period, 50 percent of the grant amount.

(3) DETERMINATION OF AMOUNT CONTRIBUTED.—

(A) IN-KIND CONTRIBUTIONS.—The Secretary shall allow an eligible entity to meet the requirements of this subsection through in-kind contributions.

(B) NON-FEDERAL SOURCES.—Not less than half of each amount described in paragraph (2) shall be provided by the eligible entity from non-Federal sources.

(e) SUPPLEMENT, NOT SUPPLANT.—An eligible entity shall use a grant received under this section only to supplement funds that would, in the absence of such grant, be made available from other Federal, State, or local sources for activities supported by the grant, not to supplant such funds.

(f) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to eligible entities that—

(1) propose to establish or support an early college high school or other dual or concurrent enrollment program that will serve a student population of which not less than 51 percent are low-income students;

(2) include a local educational agency which serves a high school that is—

(A) identified for comprehensive support and improvement under section 1111(c)(4)(D)(i) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(c)(4)(D)(i)); or

(B) implementing a targeted support and improvement plan as described in section 1111(d)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(d)(2));

(3) are from States that provide assistance to early college high schools or other dual enrollment programs, such as assistance to defray the costs of higher education (including costs of tuition, fees, and textbooks); and

(4) propose to establish or support an early college high school or dual or concurrent enrollment program that meets quality standards established by—

(A) a nationally recognized accrediting agency or association that offers accreditation specifically for such programs; or

(B) a State process specifically for the review and approval of such programs.

(g) EQUITABLE DISTRIBUTION.—The Secretary shall ensure, to the extent practicable, that eligible entities receiving grants under this section—

(1) are from a representative cross section of—

(A) urban, suburban, and rural areas; and

(B) regions of the United States; and

(2) include both two-year and four-year institutions of higher education.

(h) USES OF FUNDS.—

(1) MANDATORY ACTIVITIES.—

(A) IN GENERAL.—An eligible entity shall use grant funds received under this section—

(i) to support the activities described in its application under subsection (i);

(ii) to create and maintain a coherent system of supports for students, teachers, principals, and faculty under the program, including—

(I) college and career readiness, academic, and social support services for students; and

(II) professional development for secondary school teachers, faculty, and principals, and faculty from the institution of higher education, including—

(aa) joint professional development activities; and

(bb) activities to assist such teachers, faculty, and principals in using effective parent and community engagement strategies and to help ensure the success of students academically at risk of not enrolling in or completing postsecondary education, first-generation college students, and students described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi));

(iii) to carry out liaison activities among the partners that comprise the eligible entity pursuant to an agreement or memorandum of understanding documenting commitments, resources, roles, and responsibilities of the partners consistent with the design of the program;

(iv) for outreach programs to ensure that secondary school students and their families, including students academically at risk of not enrolling in or completing postsecondary education, first-generation college students, and students described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary

Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi)), are—

(I) aware of, and recruited into, the early college high school or dual or concurrent enrollment program; and

(II) assisted with the process of enrolling and succeeding in the early college high school or dual or concurrent enrollment program, which may include providing academic support;

(v) to collect, share, and use data (in compliance with section 444 of the General Education Provisions Act (20 U.S.C. 1232g)) for program improvement and program evaluation; and

(vi) to review and strengthen its program to maximize the potential that students participating in the program will eventually complete a recognized postsecondary credential, including by optimizing—

(I) the curriculum of the program;

(II) the use of high-quality assessments of student learning, such as performance-based, project-based, or portfolio assessments that measure higher-order thinking skills;

(III) the sequence of courses offered by the program; and

(IV) the alignment of academic calendars between the secondary schools and the institution of higher education participating in the program.

(B) NEW PROGRAMS.—In the case of an eligible entity that uses a grant under this section to establish an early college high school or dual or concurrent enrollment program, the entity shall use such funds during the first year of the grant period—

(i) to design the curriculum and sequence of courses in collaboration with, at a minimum—

(I) faculty from the institution of higher education;

(II) teachers and faculty from the local educational agency; and

(III) in the case of a career and technical education program, employers or workforce development entities to ensure that the program is aligned with labor market demand;

(ii) to develop and implement an articulation agreement between the institution of higher education and the local educational agency that governs how secondary and postsecondary credits will be awarded under the program; and

(iii) to carry out the activities described in subparagraph (A).

(2) ALLOWABLE ACTIVITIES.—An eligible entity may use grant funds received under this section to support the activities described in its application under subsection (i), including by—

(A) purchasing textbooks and equipment that support the program's curriculum;

(B) pursuant to the assurance provided by the eligible entity under subsection (i)(3)(A), paying tuition and fees for postsecondary courses taken by students under the program;

(C) incorporating work-based learning opportunities (other than by paying wages of students) into the program (which may include partnering with entities that provide such opportunities), including—

(i) internships;

(ii) career-based capstone projects;

(iii) pre-apprenticeships and registered apprenticeships provided by eligible providers of apprenticeship programs described in section 122(a)(2)(B) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3152(a)(2)(B)); and

(iv) work-based learning opportunities provided under chapters 1 and 2 of subpart 2 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a–11 et seq.);

(D) providing students with transportation to and from the program;

(E) paying costs for—

(i) high school teachers to obtain the skills, credentials, or industry certifications necessary to teach for the institution of higher education participating in the program; or

(ii) postsecondary faculty to become certified to teach high school; or

(F) providing time during which secondary school teachers and faculty and faculty from an institution of higher education can collaborate, which may include professional development, the planning of team activities for such teachers and faculty and curricular design and student assessment

(i) APPLICATION.—

(1) IN GENERAL.—To be eligible to receive a grant under this section, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(2) CONTENTS OF APPLICATION.—The application under paragraph (1) shall include, at minimum, a description of—

(A) the partnership that comprises the eligible entity, including documentation of partner commitments, resources and budget, roles, and responsibilities;

(B) how the partners that comprise the eligible entity will coordinate to carry out the mandatory activities described in subsection (h)(1);

(C) the number of students intended to be served by the program and demographic information relating to such students;

(D) how the eligible entity's curriculum and sequence of courses form a program of study leading to a recognized postsecondary credential;

(E) how postsecondary credits earned will be transferable to institutions of higher education within the State, includ-

ing any applicable statewide transfer agreements and any provisions of such agreements that are specific to dual or concurrent enrollment programs;

(F) how the eligible entity will conduct outreach to students;

(G) how the eligible entity will determine the eligibility of students for postsecondary courses, including an explanation of the multiple factors the entity will take into account to assess the readiness of students for such courses; and

(H) the sustainability plan for the early college high school or other dual or concurrent enrollment program.

(3) ASSURANCES.—The application under paragraph (1) shall include assurances from the eligible entity that—

(A) students participating in a program funded with a grant under this section will not be required to pay tuition or fees for postsecondary courses taken under the program;

(B) postsecondary credits earned by students under the program will be transcribed upon completion of the required course work; and

(C) instructors of postsecondary courses under the program will meet the same standards applicable to other faculty at the institution of higher education that is participating in the program.

SEC. 419R. GRANTS TO STATES.

(a) IN GENERAL.—The Secretary shall award grants to States, on a competitive basis, to assist States in supporting or establishing early college high schools or dual or concurrent enrollment programs.

(b) DURATION.—Each grant under this section shall be awarded for a period of 6 years.

(c) GRANT AMOUNT.—The Secretary shall ensure that the amount of each grant under this section is sufficient to enable each grantee to carry out the activities described in subsection (f).

(d) MATCHING REQUIREMENT.—For each year that a State receives a grant under this section, the State shall provide, from non-Federal sources, an amount equal to 50 percent of the amount of the grant received by the State for such year to carry out the activities supported by the grant.

(e) SUPPLEMENT, NOT SUPPLANT.—A State shall use a grant received under this section only to supplement funds that would, in the absence of such grant, be made available from other Federal, State, or local sources for activities supported by the grant, not to supplant such funds.

(f) USES OF FUNDS.—

(1) MANDATORY ACTIVITIES.—A State shall use grant funds received under this section to—

(A) support the activities described in its application under subsection (g);

(B) plan and implement a statewide strategy for expanding access to early college high schools and dual or concurrent enrollment programs for students who are underrepresented in higher education to raise statewide rates of secondary school graduation, readiness for postsecondary education, and completion of recognized postsecondary creden-

tials, with a focus on students academically at risk of not enrolling in or completing postsecondary education;

(C) identify any obstacles to such a strategy under State law or policy;

(D) provide technical assistance (either directly or through a knowledgeable intermediary) to early college high schools and other dual or concurrent enrollment programs, which may include—

(i) brokering relationships and agreements that forge a strong partnership between elementary and secondary and postsecondary partners; and

(ii) offering statewide training, professional development, and peer learning opportunities for school leaders, instructors, and counselors or advisors;

(E) identify and implement policies that will improve the effectiveness and ensure the quality of early college high schools and dual or concurrent enrollment programs, such as eligibility and access, funding, data and quality assurance, governance, accountability, and alignment policies;

(F) update the State's requirements for a student to receive a regular high school diploma to align with the challenging State academic standards and entrance requirements for credit-bearing coursework as described in subparagraphs (A) and (D) of section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1));

(G) incorporate indicators regarding student access to and completion of early college high schools and dual or concurrent enrollment programs into the school quality and student success indicators included in the State system of annual meaningful differentiation as described under section 1111(c)(4)(B)(v)(I) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(c)(4)(B)(v)(I));

(H) disseminate best practices for early college high schools and dual or concurrent enrollment programs, which may include best practices from programs in the State or other States;

(I) facilitate statewide secondary and postsecondary data collection, research and evaluation, and reporting to policymakers and other stakeholders; and

(J) conduct outreach programs to ensure that secondary school students, their families, and community members are aware of early college high schools and dual or concurrent enrollment programs in the State.

(2) ALLOWABLE ACTIVITIES.—A State may use grant funds received under this section to—

(A) establish a mechanism to offset the costs of tuition, fees, standardized testing and performance assessment costs, and support services for low-income students, and students from underrepresented populations enrolled in early college and high schools or dual or concurrent enrollment;

(B) establish formal transfer systems within and across State higher education systems, including two-year and

four-year public and private institutions, to maximize the transferability of college courses;

(C) provide incentives to school districts that—

(i) assist high school teachers in getting the credentials needed to participate in early college high school programs and dual or concurrent enrollment; and

(ii) encourage the use of college instructors to teach college courses in high schools;

(D) support initiatives to improve the quality of early college high school and dual or concurrent enrollment programs at participating institutions, including by assisting such institutions in aligning programs with the quality standards described in section 419Q(f)(3);

(E) support the development, implementation, and strengthening of Advanced Placement and International Baccalaureate programs especially at high schools with low levels of participation by low-income students and underrepresented students in such programs; and

(F) reimburse low-income students to cover part or all of the costs of an Advanced Placement or International Baccalaureate examination.

(g) STATE APPLICATIONS.—

(1) APPLICATION.—To be eligible to receive a grant under this section, a State shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(2) CONTENTS OF APPLICATION.—The application under paragraph (1) shall include, at minimum, a description of—

(A) how the State will carry out the mandatory State activities described in subsection (f)(1);

(B) how the State will ensure that any programs funded with a grant under this section are coordinated with programs under—

(i) the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.);

(ii) the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.);

(iii) the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

(iv) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

(C) how the State intends to use grant funds to address achievement gaps for each category of students described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi));

(D) how the State will access and leverage additional resources necessary to sustain early college high schools or other dual or concurrent enrollment programs;

(E) how the State will identify and eliminate barriers to implementing effective early college high schools and dual or concurrent enrollment programs after the grant expires, including by engaging businesses and nonprofit organizations; and

(F) such other information as the Secretary determines to be appropriate.

SEC. 419S. REPORTING AND OVERSIGHT.

(a) IN GENERAL.—Not less frequently than once annually, each State and eligible entity that receives a grant under this subpart shall submit to the Secretary a report on the progress of the State or eligible entity in carrying out the programs supported by such grant.

(b) FORM OF REPORT.—The report under subsection (a) shall be submitted to the Secretary at such time, in such manner, and containing such information as the Secretary may require. The Secretary shall issue uniform guidelines describing the information that shall be reported by grantees under such subsection.

(c) CONTENTS OF REPORT.—

(1) IN GENERAL.—The report under subsection (a) shall include, at minimum, the following:

(A) The number of students enrolled in the early college high school or dual or concurrent enrollment program.

(B) The number and percentage of students reimbursed by the State for part or all of the costs of an Advanced Placement or International Baccalaureate examination and the student test scores.

(C) The number and percentage of students enrolled in the early college high school or dual or concurrent enrollment program who earn a recognized postsecondary credential concurrently with a high school diploma.

(D) The number of postsecondary credits earned by eligible students while enrolled in the early college high school or dual or concurrent enrollment program that may be applied toward a recognized postsecondary credential.

(E) The number and percentage of students who earn a high school diploma.

(F) The number and percentage of graduates who enroll in postsecondary education.

(2) CATEGORIES OF STUDENTS.—The information described in each of subparagraphs (A) through (G) of paragraph (1) shall be set forth separately for each category of students described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi)).

SEC. 419T. NATIONAL ACTIVITIES.

(a) REPORTING BY SECRETARY.—Not less frequently than once annually, the Secretary shall submit to Congress a report that includes—

(1) an analysis of the information received from States and eligible entities under section 419S;

(2) an identification of best practices for carrying out programs supported by grants under this subpart; and

(3) the results of the evaluation under subsection (b).

(b) NATIONAL EVALUATION.—Not later than 6 months after the date of the enactment of the College Affordability Act, the Secretary shall seek to enter into a contract with an independent entity to perform an evaluation of the grants awarded under this subtitle. Such evaluation shall apply rigorous procedures to obtain valid and reliable data concerning student outcomes by social and academic characteristics and monitor the progress of students from secondary school to and through postsecondary education.

(c) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to States and eligible entities concerning best practices and quality improvement programs in early college high schools and dual or concurrent enrollment programs and shall disseminate such best practices among eligible entities, States, and local educational agencies.

(d) ADMINISTRATIVE COSTS.—From amounts reserved to carry out this section under section 419P(b)(3), the Secretary may reserve such sums as may be necessary for the direct administrative costs of carrying out the Secretary's responsibilities under this subtitle.

SEC. 419U. RULES OF CONSTRUCTION.

(a) EMPLOYEES.—Nothing in this subpart shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded to the employees of local educational agencies (including schools) or institutions of higher education under Federal, State, or local laws (including applicable regulations or court orders) or under the terms of collective bargaining agreements, memoranda of understanding, or other agreements between such employees and their employers.

(b) GRADUATION RATE.—A student who graduates from an early college high school supported by a grant under section 419Q within 100 percent of the normal time for completion described in the eligible entity's application under such section shall be counted in the four-year adjusted cohort graduation rate for such high school.

Subpart 9—TEACH Grants

SEC. 420L. DEFINITIONS.

For the purposes of this subpart:

(1) ELIGIBLE INSTITUTION.—The term "eligible institution" means an institution of higher education, as defined in section 102, that the Secretary determines—

(A) provides high quality teacher preparation and professional development services, including extensive clinical experience as a part of pre-service preparation;

(B) is financially responsible;

(C) provides pedagogical course work, or assistance in the provision of such coursework, including the monitoring of student performance, and formal instruction related to the theory and practices of teaching; and

(D) provides supervision and support services to teachers, or assistance in the provision of such services, including mentoring focused on developing effective teaching skills and strategies.

(2) POST-BACCALAUREATE.—The term "post-baccalaureate" means a program of instruction for individuals who have completed a baccalaureate degree, that does not lead to a graduate degree, and that consists of courses required by a State in order for a teacher candidate to receive a professional certification or licensing credential that is required for employment as a teacher in an elementary school or secondary school in that State, except that such term shall not include any program of instruction offered by an eligible institution that offers a baccalaureate degree in education.

(3) TEACHER CANDIDATE.—The term "teacher candidate" means a student or teacher described in subparagraph (A) or (B) of section 420N(a)(2).

(4) TEACHER PREPARATION PROGRAM.—The term "teacher preparation program" means a State-approved course of study provided by an institution of higher education, the completion of which signifies that an enrollee has met all the State's educational or training requirements for initial certification or licensure to teach in the State's elementary schools or secondary schools.

SEC. 420M. PROGRAM ESTABLISHED.

(a) PROGRAM AUTHORITY.—

(1) PAYMENTS REQUIRED.—The Secretary shall pay to each eligible institution such sums as may be necessary to pay to each teacher candidate who files [an application] *a Free Application for Federal Student Aid authorized under section 483(a)* and agreement in accordance with section 420N, and who qualifies under paragraph (2) of section 420N(a), a TEACH Grant [in the amount of $4,000 for each year during which that teacher candidate is in attendance at the institution.] *except as provided in subsection (d)(4), in the amount of—*

(A) $8,000, to be available to a teacher candidate who is enrolled as an undergraduate junior at the eligible institution;

(B) $8,000, to be available to a teacher candidate who is enrolled as an undergraduate senior at the eligible institution; and

(C) $4,000, to be available to a teacher candidate who is enrolled in the first or second year of an associate's degree program and intends to teach in an early childhood education program.

(2) REFERENCES.—Grants made under paragraph (1) shall be known as "Teacher Education Assistance for College and Higher Education Grants" or "TEACH Grants".

(b) PAYMENT METHODOLOGY.—

(1) PREPAYMENT.—Not less than 85 percent of any funds provided to an eligible institution under subsection (a) shall be advanced to the eligible institution prior to the start of each payment period and shall be based upon an amount requested by the institution as needed to pay teacher candidates until such time as the Secretary determines and publishes in the Federal Register with an opportunity for comment, an alternative payment system that provides payments to institutions in an accurate and timely manner, except that this sentence shall not be construed to limit the authority of the Secretary to place an institution on a reimbursement system of payment.

(2) DIRECT PAYMENT.—Nothing in this section shall be interpreted to prohibit the Secretary from paying directly to teacher candidates, in advance of the beginning of the academic term, an amount for which teacher candidates are eligible, in cases where the eligible institution elects not to participate in the disbursement system required by paragraph (1).

(3) DISTRIBUTION OF GRANTS TO TEACHER CANDIDATES.—Payments under this subpart shall be made, in accordance with regulations promulgated by the Secretary for such purpose, in

such manner as will best accomplish the purposes of this subpart. Any disbursement allowed to be made by crediting the teacher candidate's account shall be limited to tuition and fees and, in the case of institutionally-owned housing, room and board. The teacher candidate may elect to have the institution provide other such goods and services by crediting the teacher candidate's account.

(c) REDUCTIONS IN AMOUNT.—

(1) PART-TIME STUDENTS.—In any case where a teacher candidate attends an eligible institution on less than a full-time basis (including a teacher candidate who attends an eligible institution on less than a half-time basis) during any year, the amount of a grant under this subpart for which that teacher candidate is eligible shall be reduced in proportion to the degree to which that teacher candidate is not attending on a full-time basis, in accordance with a schedule of reductions established by the Secretary for the purposes of this subpart, computed in accordance with this subpart. Such schedule of reductions shall be established by regulation and published in the Federal Register in accordance with section 482 of this Act.

(2) NO EXCEEDING COST.—The amount of a grant awarded under this subpart, in combination with Federal assistance and other assistance the student may receive, shall not exceed the cost of attendance (as defined in section 472) at the eligible institution at which that teacher candidate is in attendance.

(d) PERIOD OF ELIGIBILITY FOR GRANTS.—

(1) UNDERGRADUATE AND POST-BACCALAUREATE STUDENTS.—The period during which an [undergraduate] *associate, undergraduate,* or post-baccalaureate student may receive grants under this subpart shall be the period required for the completion of the first [undergraduate] *associate, undergraduate,* baccalaureate or post-baccalaureate course of study being pursued by the teacher candidate at the eligible institution at which the teacher candidate is in attendance, except that—

(A) any period during which the teacher candidate is enrolled in a noncredit or remedial course of study as described in paragraph (3) shall not be counted for the purpose of this paragraph; and

(B) the total amount that a teacher candidate may receive under this subpart for [undergraduate] *associate, undergraduate,* or post-baccalaureate study shall not exceed $16,000.

(2) GRADUATE STUDENTS.—The period during which a graduate student may receive grants under this subpart shall be the period required for the completion of a master's degree course of study pursued by the teacher candidate at the eligible institution at which the teacher candidate is in attendance, except that the total amount that a teacher candidate may receive under this subpart for graduate study shall not exceed $8,000.

(3) REMEDIAL COURSE; STUDY ABROAD.—Nothing in this section shall be construed to exclude from eligibility courses of study which are noncredit or remedial in nature (including courses in English language acquisition) which are determined by the eligible institution to be necessary to help the teacher

candidate be prepared for the pursuit of a first undergraduate baccalaureate or post-baccalaureate degree or certificate or, in the case of courses in English language instruction, to be necessary to enable the teacher candidate to utilize already existing knowledge, training, or skills. Nothing in this section shall be construed to exclude from eligibility programs of study abroad that are approved for credit by the home institution at which the teacher candidate is enrolled.

(4) ASSOCIATE DEGREE STUDENTS.—

(A) MAXIMUM AMOUNT FOR ASSOCIATE DEGREE STUDY.—The period during which an associate degree student intending to teach in an early childhood education program may receive grants under this subpart shall be the period required for the completion of an associate's degree course of study pursued by the teacher candidate at the eligible institution at which the teacher candidate is in attendance, except that the total amount that a teacher candidate may receive under this subpart for an associate's degree course of study shall not exceed $8,000.

(B) EFFECT ON FURTHER UNDERGRADUATE OR POST-BACCALAUREATE STUDY.—In the case of a teacher candidate intending to teach in an early childhood education program who receives a grant under this subpart for an associate's degree course of study and who seeks to receive a grant described in subparagraph (A) or (B) of subsection (a)(1), the amount of such grant shall be equal to—

(i) one half of the amount that is equal to $16,000, minus the amount the teacher candidate received under this subpart for the associate's degree course of study of such candidate, to be available to a teacher candidate who is enrolled as an undergraduate junior at the eligible institution; and

(ii) one half of the amount that is equal to $16,000, minus the amount the teacher candidate received under this subpart for the associate's degree course of study of such candidate, to be available to a teacher candidate who is enrolled as an undergraduate senior at the eligible institution.

SEC. 420N. APPLICATIONS; ELIGIBILITY.

(a) APPLICATIONS; DEMONSTRATION OF ELIGIBILITY.—

(1) FILING REQUIRED.—The Secretary shall periodically set dates by which teacher candidates shall file applications for grants under this subpart. Each teacher candidate desiring a grant under this subpart for any year shall file an application containing such information and assurances as the Secretary may determine necessary to enable the Secretary to carry out the functions and responsibilities of this subpart.

(2) **[**DEMONSTRATION OF TEACH**]** *TEACH* GRANT ELIGIBILITY.—Each application submitted under paragraph (1) shall contain such information as is necessary to demonstrate that—

(A) if the applicant is an enrolled student—

(i) the student is an eligible student for purposes of section 484;

(ii) the student—

(I) has a grade point average that is determined, under standards prescribed by the Secretary, to be comparable to a 3.25 average on a zero to 4.0 scale, except that, if the student is in the first year of a program of undergraduate education, such grade point average shall be determined on the basis of the student's cumulative secondary school grade point average; or

(II) displayed high academic aptitude by receiving a score above the 75th percentile on at least one of the [batteries in an undergraduate, post-baccalaureate, or graduate school admissions test] *assessments used for admission to an undergraduate, post-baccalaureate, or graduate school program*; and

(iii) the student is completing coursework and other requirements necessary to begin a career in teaching, or plans to complete such coursework and requirements prior to graduating; or

(B) if the applicant is a current or prospective teacher applying for a grant to obtain a graduate degree—

(i) the applicant is a teacher or a retiree from another occupation with expertise in a field in which there is a shortage of teachers, such as mathematics, science, special education, English language acquisition, [or another high-need] *early childhood education, or another high-need* subject; or

(ii) the applicant is or was a teacher who is using high-quality alternative certification routes[, such as Teach for America,] to get certified.

(b) AGREEMENTS TO SERVE.—Each application under subsection (a) shall contain or be accompanied by an agreement by the applicant that—

(1) the applicant will—

(A) serve as a full-time teacher for a total of not less than 4 academic years within 8 years after completing the course of study for which the applicant received a TEACH Grant under this subpart;

(B) teach in a school described in section 465(a)(2)(A) *or in a high-need early childhood education program (as defined in section 200(15))*;

(C) teach in any of the following fields—

(i) mathematics;

(ii) science;

(iii) a foreign language;

(iv) bilingual education;

(v) special education;

(vi) as a reading specialist; [or]

(vii) early childhood education; or

[(vii)] *(viii)* another field documented as high-need by the Federal Government, State government, or local educational agency, and approved by the Secretary; *and*

(D) submit evidence of such employment in the form of a certification by the chief administrative officer of the

school *or early childhood education program* upon completion of each year of such service; [and]

[(E) comply with the requirements for being a highly qualified teacher as defined in section 9101 of the Elementary and Secondary Education Act of 1965;]

(2) in the event that the applicant is determined to have failed or refused to carry out such service obligation, the sum of the amounts of any TEACH Grants received by such applicant will be treated as a loan and collected from the applicant in accordance with subsection (c) and the regulations thereunder; [and]

(3) contains, or is accompanied by, a plain-language disclosure form developed by the Secretary that clearly describes the nature of the TEACH Grant award, the service obligation, and the loan repayment requirements that are the consequence of the failure to complete the service obligation[.]*; and*

(4) the Secretary will—

(A) notify, or ensure that the applicable loan servicer will notify, the applicant of—

(i) the date on which submission of the certification under paragraph (1)(D) is required; and

(ii) any failure to submit such certification; and

(B) allow employers and borrowers to use electronic signatures to certify such employment.

(c) REPAYMENT FOR FAILURE TO COMPLETE SERVICE.—[In the event]

(1) IN GENERAL.—Subject to paragraph (2), in the event that any recipient of a grant under this subpart fails or refuses to comply with the service obligation in the agreement under subsection (b), the sum of the amounts of any TEACH Grants received by such recipient shall, upon a determination of such a failure or refusal in such service obligation, be treated as a Federal Direct Unsubsidized Stafford Loan under part D of title IV, and shall be subject to repayment, together with interest thereon accruing from the date of the grant award, in accordance with terms and conditions specified by the Secretary in regulations under this subpart.

(2) CLARIFICATION.—

(A) APPLICATION.—Paragraph (1) may only apply with respect to a recipient of a grant under this subpart if—

(i) after completing the course of study for which the recipient received the grant, such recipient does not serve as a full-time teacher as required under subsection (b)(1) for at least—

(I) 1 year, as certified under subsection (b)(1)(D) on a date that is not later than 5 years after the date such course of study was completed;

(II) 2 years, as certified under subsection (b)(1)(D) on a date that is not later than 6 years after the date such course of study was completed;

(III) 3 years, as certified under subsection (b)(1)(D) on a date that is not later than 7 years after the date such course of study was completed; or

(IV) 4 years, as certified under subsection (b)(1)(D) on a date that is not later than 8 years after the date such course of study was completed; or

(ii) the recipient elects to have such grant treated as a loan in accordance with such paragraph (1).

(B) APPEAL.—A recipient of a grant may appeal a decision to convert a loan under paragraph (1).

(d) ADDITIONAL ADMINISTRATIVE PROVISIONS.—

(1) CHANGE OF HIGH-NEED DESIGNATION.—If a recipient of an initial grant under this subpart has acquired an academic degree, or expertise, in a field that was, at the time of the recipient's application for that grant, designated as high need in accordance with ⟦subsection (b)(1)(C)(vii)⟧ *subsection (b)(1)(C)(viii)*, but is no longer so designated, the grant recipient may fulfill the service obligation described in subsection (b)(1) by teaching in that field.

(2) CHANGE OF SCHOOL DESCRIPTION OR PROGRAM DEFINITION.—If a recipient of an initial grant under this subpart teaches in a school or an early childhood education program for an academic year during which the school is identified as a school described in section 465(a)(2)(A) or a program that meets the definition of section 200(15), but the school or program no longer meets such description or definition during a subsequent academic year, the grant recipient may fulfill the service obligation described in subsection (b)(1) by continuing to teach at that school or program.

(3) CHANGE OF TEACHER DUTIES OR ASSIGNMENT.—If a recipient of an initial grant under this subpart teaches as a full-time teacher described in subsection (b)(1)(A), but the recipient no longer meets such description during a subsequent academic year due to switching academic roles to that of a full-time co-teacher, teacher leader, instructional or academic coach, department chairperson, special education case manager, guidance counselor, or school administrator within a school or program, the grant recipient may fulfill the service obligation described in subsection (b)(1) by continuing to work in any such academic role on a full-time basis at that school or program.

(4) CHANGE IN HIGH-NEED FIELD STATUS.—If a recipient of an initial grant under this subpart teaches in a field at a school or an early childhood education program for an academic year during which the field is designated under subsection (b)(1)(C)(viii), but the field no longer is so designated during a subsequent academic year, the grant recipient may fulfill the service obligation described in subsection (b)(1) by continuing to teach in such field at such school or early childhood education program.

⟦(2)⟧ *(5)* EXTENUATING CIRCUMSTANCES.—The Secretary shall establish, by regulation, categories of extenuating circumstances under which a recipient of a grant under this subpart who is unable to fulfill all or part of the recipient's service obligation may be excused from fulfilling that portion of the service obligation.

* * * * * * *

[SEC. 420P. PROGRAM REPORT

[Not later than two years after the date of enactment of the Higher Education Opportunity Act and every two years thereafter, the Secretary shall prepare and submit to the authorizing committees a report on TEACH grants with respect to the schools and students served by recipients of such grants. Such report shall take into consideration information related to—

[(1) the number of TEACH grant recipients;

[(2) the degrees obtained by such recipients;

[(3) the location, including the school, local educational agency, and State, where the recipients completed the service agreed to under section 420N(b) and the subject taught;

[(4) the duration of such service; and

[(5) any other data necessary to conduct such evaluation.]

SEC. 420P. DATA COLLECTION AND REPORTING.

(a) DATA COLLECTION.—

(1) AGGREGATE STUDENT DATA.—On an annual basis, using the postsecondary student data system established under section 132(l) or a successor system (whichever includes the most recent data) to streamline reporting requirements and minimize reporting burdens, and in coordination with the National Center for Education Statistics, the Secretary shall determine, disaggregate in accordance with paragraph (2), and make available to the public in accordance with paragraph (3), with respect to each institution (and each category of institution listed in section 132(d)) that received a payment under this subpart in the previous academic year, the following information:

(A) The number and mean dollar amount of TEACH Grants awarded to students at the institution.

(B) The number and proportion of TEACH Grant recipients who exit their program of study before completing the program.

(C) The number and proportion of TEACH Grant recipients who complete their program of study and begin employment as a teacher in the first academic year following the year of such completion.

(D) The number and proportion of individuals employed as teachers who received a TEACH Grant and whose TEACH Grants are converted into loans during the 8-year period following the year in which the recipient completed the recipient's program of study, set forth separately for each year in such period.

(E) The number and proportion of TEACH Grant recipients who fulfill the terms of their agreement to serve under section 420N(b) during the 8-year period following the year in which the recipient completed the recipient's program of study, set forth separately for each year in such period.

(2) DISAGGREGATION.—The information determined under paragraph (1)—

(A) except in cases in which such disaggregation would reveal personally identifiable information about an individual student, shall be disaggregated by—

(i) race;

(ii) ethnicity;

(iii) gender;

(iv) socioeconomic status;

(v) Federal Pell Grant eligibility status;

(vi) status as a first-generation college student (as defined in section 402A(h));

(vii) military or veteran status;

(viii) disability status;

(ix) level of study (associate, undergraduate, postbaccalaureate, or graduate, as applicable); and

(x) each teacher preparation program offered by an institution; and

(B) may be disaggregated by any combination of subgroups or descriptions described in subparagraph (A).

(3) AVAILABILITY OF DATA.—The information determined under paragraph (1) shall—

(A) remain available to the public for a period of not less than 10 years after its initial release by the Secretary; and

(B) be updated as necessary to reflect the most accurate and up-to-date information for each institution for each year of data collection.

(b) INFORMATION FROM INSTITUTIONS.—Each institution that receives a payment under this subpart shall provide to the Secretary, on an annual basis, such information as may be necessary for the Secretary to carry out subsection (a).

(c) REPORTS AND DISSEMINATION.—

(1) INITIAL AND INTERIM REPORTS.—Not later than 3 years after the date on which the first TEACH Grant is awarded under this subpart after the date of enactment of the College Affordability Act, and at least once every 3 years thereafter, the Secretary shall submit to the authorizing committees a report that includes the information required under paragraph (2).

(2) ELEMENTS.—Each report under this subsection shall include, based on information determined under subsection (a), the following:

(A) A review of the utilization of TEACH Grants at teacher preparation programs at institutions that received a payment under this subpart.

(B) A review of TEACH Grant practices that correlate with higher rates of completion of agreements under section 420N(b).

(C) Guidance and recommendations on how effective utilization of TEACH Grants can be replicated.

(3) AVAILABILITY.—Each report under this subsection shall be made available to the public in an accessible format—

(A) on a website of the Department of Education; and

(B) in any other format determined to be appropriate by the Secretary.

[Subpart 10—Scholarships for Veteran's Dependents

[SEC. 420R. SCHOLARSHIPS FOR VETERAN'S DEPENDENTS.

[(a) DEFINITION OF ELIGIBLE VETERAN'S DEPENDENT.—The term "eligible veteran's dependent" means a dependent or an independent student—

[(1) whose parent or guardian was a member of the Armed Forces of the United States and died as a result of performing military service in Iraq or Afghanistan after September 11, 2001; and

[(2) who, at the time of the parent or guardian's death, was—

[(A) less than 24 years of age; or

[(B) enrolled at an institution of higher education on a part-time or full-time basis.

[(b) GRANTS.—

[(1) IN GENERAL.—The Secretary shall award a grant to each eligible veteran's dependent to assist in paying the eligible veteran's dependent's cost of attendance at an institution of higher education.

[(2) DESIGNATION.—Grants made under this section shall be known as "Iraq and Afghanistan Service Grants".

[(c) PREVENTION OF DOUBLE BENEFITS.—No eligible veteran's dependent may receive a grant under both this section and section 401.

[(d) TERMS AND CONDITIONS.—The Secretary shall award grants under this section in the same manner, and with the same terms and conditions, including the length of the period of eligibility, as the Secretary awards Federal Pell Grants under section 401, except that—

[(1) the award rules and determination of need applicable to the calculation of Federal Pell Grants, shall not apply to grants made under this section;

[(2) the provisions of subsection (a)(3), subsection (b)(1), the matter following subsection (b)(2)(A)(v), subsection (b)(3), and subsection (f), of section 401 shall not apply; and

[(3) a grant made under this section to an eligible veteran's dependent for any award year shall equal the maximum Federal Pell Grant available for that award year, except that such a grant under this section—

[(A) shall not exceed the cost of attendance of the eligible veteran's dependent for that award year; and

[(B) shall be adjusted to reflect the attendance by the eligible veteran's dependent on a less than full-time basis in the same manner as such adjustments are made under section 401.

[(e) ESTIMATED FINANCIAL ASSISTANCE.—For purposes of determinations of need under part F, a grant awarded under this section shall not be treated as estimated financial assistance as described in sections 471(3) and 480(j).

[(f) AUTHORIZATION AND APPROPRIATIONS OF FUNDS.—There are authorized to be appropriated, and there are appropriated, out of any money in the Treasury not otherwise appropriated, for the Secretary to carry out this section, such sums as may be necessary for fiscal year 2010 and each succeeding fiscal year.]

Subpart 10—Northern Mariana Islands and American Samoa College Access

SEC. 420R. PUBLIC SCHOOL GRANTS.

(a) PURPOSE.—It is the purpose of this subpart to establish a program that enables college-bound residents of the Northern Mariana Islands and American Samoa to have greater choices among institutions of higher education.

(b) GRANTS.—

(1) IN GENERAL.—From amounts appropriated under subsection (j), the Secretary shall provide—

(A) 50 percent of such amount to the Northern Mariana Islands for the Governor to award grants to eligible institutions that enroll eligible students to pay the difference between the tuition and fees charged for in-State students and the tuition and fees charged for out-of-State students on behalf of each eligible student enrolled in the eligible institution; and

(B) 50 percent of such amount to the American Samoa for the Governor to award grants to eligible institutions that enroll eligible students to pay the difference between the tuition and fees charged for in-State students and the tuition and fees charged for out-of-State students on behalf of each eligible student enrolled in the eligible institution.

(2) MAXIMUM STUDENT AMOUNTS.—The amount paid on behalf of an eligible student under this section shall be—

(A) not more than $15,000 for any one award year (as defined in section 481); and

(B) not more than $45,000 in the aggregate.

(3) PRORATION.—The Governor shall prorate payments under this section for students who attend an eligible institution on less than a full-time basis.

(c) REDUCTION FOR INSUFFICIENT APPROPRIATIONS.—

(1) IN GENERAL.—If the funds appropriated pursuant to subsection (j) for any fiscal year are insufficient to award a grant in the amount determined under subsection (a) on behalf of each eligible student enrolled in an eligible institution, then the Governor, in consultation with the Secretary of Education, shall—

(A) first, ratably reduce the amount of the tuition and fee payment made on behalf of each eligible student who has not received funds under this section for a preceding year; and

(B) after making reductions under subparagraph (A), ratably reduce the amount of the tuition and fee payments made on behalf of all other eligible students.

(2) ADJUSTMENTS.—The Governor, in consultation with the Secretary of Education, may adjust the amount of tuition and fee payments made under paragraph (1) based on—

(A) the financial need of the eligible students to avoid undue hardship to the eligible students; or

(B) undue administrative burdens on the Governor.

(3) FURTHER ADJUSTMENTS.—Notwithstanding paragraphs (1) and (2), the Governor may prioritize the making or amount

of tuition and fee payments under this subsection based on the income and financial need of eligible students.

(d) DEFINITIONS.—In this subpart:

(1) ELIGIBLE INSTITUTION.—The term "eligible institution" means an institution that—

(A) is a public four-year institution of higher education located in one of the several States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or Guam;

(B) is eligible to participate in the student financial assistance programs under title IV; and

(C) enters into an agreement with the Governors of the Northern Mariana Islands and American Samoa containing such conditions as each Governor may specify, including a requirement that the institution use the funds made available under this section to supplement and not supplant assistance that otherwise would be provided to eligible students from the Northern Mariana Islands and American Samoa.

(2) ELIGIBLE STUDENT.—The term "eligible student" means an individual who—

(A) graduated from a public institution of higher education located in the Northern Mariana Islands or American Samoa;

(B) begins the individual's course of study within the 3 calendar years (excluding any period of service on active duty in the Armed Forces or service under the Peace Corps Act (22 U.S.C. 2501 et seq.) or subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.)) of graduation from a public institution of higher education located in the Northern Mariana Islands or American Samoa;

(C) is enrolled or accepted for enrollment, on at least a half-time basis, in a baccalaureate degree or other program (including a program of study abroad approved for credit by the institution at which such student is enrolled) leading to a recognized educational credential at an eligible institution;

(D) if enrolled in an eligible institution, is maintaining satisfactory progress in the course of study the student is pursuing in accordance with section 484(c); and

(E) has not completed the individual's first undergraduate baccalaureate course of study.

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101.

(4) GOVERNOR.—The term "Governor" means the Governor of the Commonwealth of the Northern Mariana Islands or American Samoa.

(e) CONSTRUCTION.—Nothing in this subpart shall be construed to require an institution of higher education to alter the institution's admissions policies or standards in any manner to enable an eligible student to enroll in the institution.

(f) APPLICATIONS.—Each student desiring a tuition payment under this section shall submit an application to the eligible institu-

tion at such time, in such manner, and accompanied by such information as the eligible institution may require.

(g) ADMINISTRATION OF PROGRAM.—

(1) IN GENERAL.—Each Governor shall carry out the program under this section in consultation with the Secretary. Each Governor may enter into a grant, contract, or cooperative agreement with another public or private entity to administer the program under this section if the Governor determines that doing so is a more efficient way of carrying out the program.

(2) POLICIES AND PROCEDURES.—Each Governor, in consultation with institutions of higher education eligible for participation in the program authorized under this section, shall develop policies and procedures for the administration of the program.

(3) MEMORANDUM OF AGREEMENT.—Each Governor and the Secretary shall enter into a Memorandum of Agreement that describes—

(A) the manner in which the Governor shall consult with the Secretary with respect to administering the program under this section; and

(B) any technical or other assistance to be provided to the Governor by the Secretary for purposes of administering the program under this section (which may include access to the information in the common financial reporting form developed under section 483).

(h) GOVERNOR'S REPORT.—Each Governor shall report to the Secretary and the authorizing committees annually regarding—

(1) the number of eligible students attending each eligible institution and the amount of the grant awards paid to those institutions on behalf of the eligible students;

(2) the extent, if any, to which a ratable reduction was made in the amount of tuition and fee payments made on behalf of eligible students; and

(3) the progress in obtaining recognized academic credentials of the cohort of eligible students for each year.

(i) GAO REPORT.—Not later than 24 months of the date of the enactment of this College Affordability Act, the Comptroller General of the United States shall report on the effect of the program assisted under this section on educational opportunities for eligible students. The Comptroller General shall analyze whether eligible students had difficulty gaining admission to eligible institutions because of any preference afforded to in-State residents by eligible institutions, and shall expeditiously report any findings regarding such difficulty to Congress. In addition the Comptroller General shall—

(1) analyze and identify any challenges eligible students face in gaining admission to eligible institutions, including admission aided by assistance provided under this subpart, due to—

(A) caps on the number of out-of-State students the institution will enroll;

(B) significant barriers imposed by academic entrance requirements (such as grade point average and standardized scholastic admissions tests); and

(C) absence of admission programs benefitting minority students; and

(2) report the findings of the analysis described in paragraph (1) and the assessment described in paragraph (2) to Congress and the Governor.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commonwealth of the Northern Mariana Islands and American Samoa to carry out this subpart $5,000,000, to be available until expended, for fiscal year 2021 and each of the 5 succeeding fiscal years.

(k) EFFECTIVE DATE.—This subpart shall take effect with respect to payments for periods of instruction that begin on or after January 1, 2021.

SEC. 420S. GENERAL REQUIREMENTS.

(a) PERSONNEL.—The Secretary shall arrange for the assignment of an individual, pursuant to subchapter VI of chapter 33 of title 5, United States Code, to serve as an adviser to each Governor with respect to the programs assisted under this subpart.

(b) ADMINISTRATIVE EXPENSES.—Each Governor may use not more than 5 percent of the funds made available for a program under section 420R for a fiscal year to pay the administrative expenses of a program under section 420R for the fiscal year.

(c) INSPECTOR GENERAL REVIEW.—Each of the programs assisted under this subpart shall be subject to audit and other review by the Inspector General of the Department of Education in the same manner as programs are audited and reviewed under the Inspector General Act of 1978 (5 U.S.C. App.).

(d) GIFTS.—The Governor may accept, use, and dispose of donations of services or property for purposes of carrying out this subpart.

(e) MAXIMUM STUDENT AMOUNT ADJUSTMENTS.—Each Governor shall establish rules to adjust the maximum student amounts described in section 440S(b)(2) for eligible students described in section 440S(d)(2) who transfer between the eligible institutions described in section 440S(d)(1).

Subpart 11—Community College Student Success

SEC. 420T. COMMUNITY COLLEGE STUDENT SUCCESS GRANT PROGRAM AUTHORIZED.

From the amounts appropriated under 420BB, the Secretary of Education shall establish and carry out the community college student success grant program to award grants under sections 420U and 420V, on a competitive basis, to eligible institutions to plan and implement community college student success programs designed to increase—

(1) the rate at which program participants graduate from a program of study at such eligible institution within 150 percent of the normal time for graduation; and

(2) transfer rates of program participants.

SEC. 420U. GRANTS TO PLAN COMMUNITY COLLEGE STUDENT SUCCESS PROGRAMS.

(a) PLANNING GRANTS AUTHORIZED.—From the amounts appropriated to carry out this section under section 420BB for a fiscal year, the Secretary shall award planning grants for such fiscal year,

on a competitive basis, to eligible institutions to develop plans for community college student success programs.

(b) DURATION.—A grant awarded under this section shall be for a 1-year period.

(c) PEER REVIEW PROCESS; PRIORITY.—In awarding grants under this section for a fiscal year, the Secretary shall—

(1) carry out a peer review process that—

(A) requires that each application submitted under subsection (d) be peer reviewed by a panel of readers composed of individuals selected by the Secretary, which shall include—

(i) not less than 50 percent of readers—

(I) who are not employees of the Federal Government; and

(II) who have relevant research or practical experience with respect to student support programs designed to increase graduation rates and transfer rates at public 2-year institutions of higher education; and

(ii) to the maximum extent practicable, individuals who are members of groups underrepresented in higher education, including African Americans, Hispanics, Native Americans, Alaska Natives, Asian Americans, Native American Pacific Islanders (including Native Hawaiians), and individuals with disabilities; and

(B) ensures that no individual assigned under subparagraph (A) to review an application has any conflict of interest with regard to that application that may make the individual unable to impartially conduct such review; and

(2) give priority to eligible institutions that are eligible to receive funding under title III or V.

(d) APPLICATION.—An eligible institution desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, which shall include—

(1) the graduation rate and transfer rate for the most recent academic year for which data are available for eligible students and all students, respectively;

(2) an analysis of how implementing a community college student success program may improve the graduation rate or transfer rate for eligible students; and

(3) a description of the methods the eligible institution has previously used to improve the graduation rate or transfer rate with respect to eligible students and all students, respectively.

(e) USE OF FUNDS.—An eligible institution that receives a grant under this section shall use the grant to develop a plan to implement a community college student success program at the eligible institution.

(f) REPORT.—Not later than 1 year after the date on which an eligible institution receives a grant under this section, such eligible institution shall submit to the Secretary a report that includes—

(1) a plan for implementing a community college student success program at the eligible institution, including—

(A) the sufficiently ambitious outcome goals for achieving significant improvements in graduation rates and transfer

rates for program participants, as such rates are defined by the eligible institution, in consultation with the Secretary, before the end of the grant period;

(B) the number of such eligible students who will participate in such program, including how such eligible students will be identified, referred, and selected, in cases where the interest in the program is larger than the budget for the program;

(C) based on the most recent academic year for which data are available, disaggregated by full-time students and all students—

(i) graduation rates; and

(ii) transfer rates;

(D) an analysis of the financial needs of the full-time students;

(E) a description of how the eligible institution will effectively staff a community college student success program; and

(F) a timeline for the implementation of such program;

(2) a budgetary analysis that includes—

(A) a description of how the eligible institution will provide non-Federal funds for such program under subsection (d) of section 420V; and

(B) a description of how the eligible institution will continue to fund such program after the end of the grant period for the grant awarded to the institution under section 420V; and

(3) such other information as the Secretary may require.

SEC. 420V. GRANTS TO IMPLEMENT COMMUNITY COLLEGE STUDENT SUCCESS PROGRAMS.

(a) IMPLEMENTATION GRANTS AUTHORIZED.—

(1) IN GENERAL.—From the amounts appropriated to carry out this section under section 420BB for a fiscal year, the Secretary shall award grants for such fiscal year, on a competitive basis, to eligible institutions awarded a grant under section 420U to implement community college student success programs.

(2) CONSULTATION.—In awarding grants under this section for a fiscal year, the Secretary shall consult with the independent evaluator before finalizing which eligible institutions will receive such a grant for such fiscal year.

(b) REQUIREMENTS FOR SELECTION.—To be eligible to receive a grant under this section, an eligible institution shall meet the following requirements:

(1) The eligible institution was awarded a grant under section 420U at least 1 year before such eligible institution submits an application under subsection (e).

(2) The eligible institution submits an application under subsection (e).

(3) The eligible institution demonstrates, on the date of the application described in subsection (e), the availability of non-Federal funding for the matching funds required under subparagraphs (A), (B), and (C) of subsection (d)(1).

(c) DURATION.—A grant awarded under this section shall be for a 5-year period.

(d) NON-FEDERAL CONTRIBUTION.—

(1) IN GENERAL.—Except as provided in paragraph (2), an eligible institution awarded a grant under this section shall contribute in cash from non-Federal sources, the following:

(A) For the second year of the grant period, an amount equal to 20 percent of the cost of carrying out the community college student success program at the institution for such year.

(B) For the third year of the grant period, an amount equal to 30 percent of the cost of carrying out such program for such year.

(C) For the fourth year of the grant period, an amount equal to 40 percent of the cost of carrying out such program for such year.

(D) For the fifth year of the grant period, an amount equal to 50 percent of the cost of carrying out such program for such year.

(2) EXCEPTION.—

(A) IN GENERAL.—Notwithstanding paragraph (1), with respect to an exempt institution awarded a grant under this section, for each year of the grant period beginning with the second year through the fifth year, the Secretary shall not require the institution to make a cash contribution from non-Federal sources in an amount that is greater than the amount equal to 5 percent of the cost of carrying out the community college student success program at the institution for such year.

(B) DEFINITIONS.—For purposes of this paragraph:

(i) EXEMPT INSTITUTION.—The term "exempt institution" means an eligible institution that is a—

(I) Tribal college or university; or

(II) an institution located in the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau.

(ii) TRIBAL COLLEGE OR UNIVERSITY.—The term "Tribal college or university" has the meaning given the term in section 316 of the Higher Education Act of 1965 (20 U.S.C. 1059c).

(e) APPLICATION.—An eligible institution desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, which shall include a copy of the report described in 420U(e).

(f) REQUIRED USE OF FUNDS.—An eligible institution that receives a grant under this section shall use the grant funds to—

(1) implement a community college student success program; and

(2) regularly review—

(A) data to monitor the academic progress of eligible students participating in such program; and

(B) the meeting and program participation requirements described in section 420AA(1).

(g) PERMISSIBLE USE OF FUNDS.—An eligible institution that receives a grant under this section may use the grant to—

(1) establish or expand a data tracking system that includes early alerts to complete the regular reviews required under subsection (f)(2);

(2) provide eligible students participating in the community college student success program for which the grant is awarded with financial assistance to cover the costs described in paragraph (2), (3), or (8) of section 472;

(3) establish or expand career development services for such students, such as career workshops or career counseling;

(4) establish or expand tutoring services for such students;

(5) cover the employment of administrators for the program whose sole job shall be to administer the program, without regard to whether the employment is full-time or less than full-time; and

(6) provide financial support for eligible students participating in such program to enroll in courses offered during enrollment periods that are outside the fall and spring semesters (or equivalent terms).

(h) REPORTS.—Using the postsecondary student data system established under section 132(l) or a successor system (whichever includes the most recent data) to streamline reporting requirements and minimize reporting burdens, and in coordination with the National Center for Education Statistics, the Secretary shall, on at least an annual basis, collect data with respect to each community college student success program, including the following:

(1) Each eligible institution that receives a grant under this subpart shall, on an annual basis, provide to the Secretary such information as may be necessary for the Secretary to collect such data, including—

(A) the demographic characteristics of the students participating in the community college student success program;

(B) the average number of credits attempted and average number of credits earned, rate of retention, rate of degree completion, and rates of transfer of such eligible students; and

(C) the graduation rate of such eligible students.

(2) Each such eligible institution shall, not less than once for each year of the grant period, submit to the Secretary an annual performance report for such year of the grant period that includes—

(A) an analysis of the implementation and progress of such program based on the sufficiently ambitious outcome goals described in the report submitted by the institution under section 420U(e)(1)(A), including challenges to and changes made to such program;

(B) if according to the analysis under subparagraph (A), the program is not on track to meet such sufficiently ambitious outcome goals, a description of the plans to adjust the program to improve the performance of the program;

(C) the participation of such eligible students in tutoring, career services (which can include benefit counseling), and meetings with program advisors; and

(D) when data is available, which shall compare the data collected for such year under this paragraph with such data collected for each of the 2 years preceding the date on which the grant was awarded.

(3) Not later than 6 years after the date on which the eligible institution received such grant, submit a final report to the Secretary that includes an analysis of—

(A) the factors that contributed to the success or failure of the community college student success program in meeting the ambitious outcome goals described in the report submitted by the institution under section 3(e)(1)(A);

(B) the challenges faced in attempting to implement such program;

(C) information on how to improve such program;

(D) whether the program has created an institution-wide reform with respect to graduation rates and transfer rates for all students, and if so, how such reform was created; and

(E) how the eligible institution will continue to fund such program after the end of the grant period.

SEC. 420W. EVALUATIONS.

(a) INDEPENDENT EVALUATIONS.—Before finalizing which eligible institutions will receive grants under section 420V for a fiscal year, the Secretary, acting through the Director of the Institute of Education Sciences, shall enter into a contract with an independent evaluator—

(1) to consult with the Secretary on which eligible institutions should receive the grants; and

(2) to use the What Works Clearinghouse Standards (without reservations) to evaluate, throughout the duration of the grant period of such grants—

(A) each community college student success program for which such grant is awarded, including whether the program met its ambitious outcome goals described in the report submitted by the institution under section 420U(e)(1)(A);

(B) the average impact of community college student success programs on graduation rates and transfer rates for eligible students;

(C) the variation in program impact across eligible institutions with respect to such rates; and

(D) whether such programs lead to higher graduation rates and transfer rates of eligible students per dollar spent for such students by such institutions compared with such rates at eligible institutions without such programs.

(b) RESULTS OF EVALUATIONS.—The results of the evaluations under subsection (a) shall be made publicly available on the website of the Department of Education.

(c) FUNDING FOR EVALUATIONS.—The Secretary may reserve not more than 15 percent of the funds appropriated under section 420BB for a fiscal year to carry out this section for such fiscal year.

SEC. 420X. OUTREACH AND TECHNICAL ASSISTANCE.

(a) OUTREACH.—The Secretary shall conduct outreach activities to notify eligible institutions of the availability of grants under this subpart.

(b) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance—

(1) to eligible institutions that may be interested in applying for grants under this subpart, including assistance with applications for such grants; and

(2) to eligible institutions awarded grants under this subpart, including assistance with—

(A) establishing ambitious outcome goals described in section 420U(e)(1)(A); and

(B) the implementation of a community college student success program.

(c) FUNDING FOR TECHNICAL ASSISTANCE FOR EVALUATIONS.—The Secretary may reserve not more than 7 percent of the funds appropriated under section 420BB for a fiscal year for technical assistance under this section for such fiscal year.

SEC. 420Y. REPORT TO CONGRESS.

Not later than 1 year after the date on which the Secretary receives the final evaluation results under section 420W for eligible institutions that were awarded grants under section 420V for the same fiscal year, the Secretary shall submit to Congress a report that includes—

(1) the number of grants awarded under section 420V for such fiscal year, and the amount of such grants;

(2) the number of grants awarded under section 420U to eligible institutions that received the grants described in paragraph (1), and the amount of such grants;

(3) the number of grants awarded under section 420U to eligible institutions that would have been eligible but did not receive the grants in paragraph (1);

(4) such final evaluation results; and

(5) any other information the Secretary may deem relevant.

SEC. 420Z. SUPPLEMENT, NOT SUPPLANT.

Funds awarded to an eligible institution under this subpart shall be used only to supplement the amount of funds that would, in the absence of the Federal funds provided under this subpart, be made available from non-Federal sources or other Federal sources to carry out the activities under this subpart, and not to supplant such funds.

SEC. 420AA. DEFINITIONS.

In this subpart:

(1) COMMUNITY COLLEGE STUDENT SUCCESS PROGRAM.—The term "community college student success program" means a program carried out by an eligible institution under which the institution carries out the following:

(A) Provides eligible students participating in such program with an amount that covers the cost of tuition and fees that are not covered by any Federal, State, or institutional financial assistance received by the student.

(B) Requires eligible students participating in such program to—

(i) be enrolled in the eligible institution and carry a full-time academic workload during each fall and spring semester (or equivalent terms) during which the student participates in such program;

(ii) if the eligible student is referred to remedial courses or is on academic probation, meet, on at least a weekly basis or under an alternate schedule, as determined by the institution, with a tutor, except that in the case of an eligible student who is academically struggling, but who is not referred to remedial courses or on academic probation, the student may meet with a tutor as often as the program advisor for such student requires or under an alternate schedule, as determined by the institution;

(iii) meet with a program advisor—

(I) twice each month during the first semester (or equivalent term) of participation in such program; and

(II) as directed by the program advisor in subsequent semesters (or equivalent terms) under subparagraph (C)(ii); and

(iv) meet with an on-campus career advisor or participate in a career services event once each semester (or equivalent term) or under an alternate schedule, as determined by the institution.

(C) Provides a program advisor to each eligible student participating in such program who—

(i) provides comprehensive academic and personal advising to the eligible student, including—

(I) the creation and implementation of an academic plan for the student to graduate from a program of study at the eligible institution within 150 percent of the normal time for graduation from such program;

(II) if an eligible student is referred to remedial courses, encouraging such student to complete such courses as quickly as possible; and

(III) assisting the eligible student with developing and achieving academic goals, including creating strong transfer pathways that demonstrate programmatic transfer for students interested in transferring to a 4-year institution of higher education;

(ii) after the eligible student participating in such program completes a semester (or equivalent term), creates for the eligible student a needs-based advising schedule that indicates, based on the eligible student's academic performance, the frequency with which such eligible student shall be required to meet with a program advisor for each subsequent semester (or equivalent term) of program participation;

(iii) has a caseload of not more than 150 eligible students;

(iv) tracks the attendance of the eligible student at the meetings described in clauses (ii), (iii), and (iv) of subparagraph (B);

(v) monitors the academic progress of the eligible student; and

(vi) provides each eligible student who meets the requirements of subparagraph (B), on at least a monthly basis, with financial incentives, such as a transportation pass or a gas card.

(D) Provides free tutoring and career services (which can include benefit counseling) to eligible students participating in such program, and may reserve places in select courses for such eligible students in order to create a community within cohorts of eligible students.

(E) Provides information to eligible students participating in such program about the eligibility of such students for assistance under the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) and the program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(2) ELIGIBLE INSTITUTION.—The term "eligible institution" means a public 2-year institution of higher education.

(3) ELIGIBLE STUDENT.—The term "eligible student" means a student enrolled at an eligible institution who—

(A) on the date such eligible student would begin participation in a community college student success program at such eligible institution—

(i) is enrolled in a program of study leading to an associate degree;

(ii) is enrolled at such institution and carrying a full-time academic workload during each fall and spring semester (or equivalent terms) during which the student participates in such program;

(iii) is—

(I) a first-time undergraduate student; or

(II) a continuing or transfer student with not more than 15 credits and a minimum grade point average of 2.0 (or its equivalent); and

(iv) is considered by the eligible institution to need no more than two remedial courses; and

(B) if the student is eligible for financial aid under title IV, has completed the Free Application for Federal Student Aid or other common financial reporting form under section 483(a); and

(C) meets any other requirements established by the institution.

(4) FULL-TIME ACADEMIC WORKLOAD.—The term "full-time academic workload", when used with respect to a semester or equivalent term, means at least 12 credits (or the equivalent).

(5) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term under section 101.

(6) TRANSFER RATE.—The term "transfer rate", when used with respect to students enrolled in a program of study at an eligible institution, means the rate at which such students transfer to a 4-year institution of higher education.

SEC. 420BB. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subpart $1,000,000,000, to be available until expended for fiscal year 2021 and each of the 5 succeeding fiscal years.

Subpart 12—Federal Pell Grant Bonus Program

SEC. 420CC. FEDERAL PELL GRANT BONUS PROGRAM.

(a) IN GENERAL.—The Secretary shall allot funds in an amount determined under subsection (b) to each eligible institution to support the attainment of bachelor's degrees among low-income students, which may include providing financial aid and student support services to such students.

(b) ALLOTMENT FORMULA.—For each fiscal year, each eligible institution shall be allotted an amount under subsection (a) that bears the same proportion to the amount appropriated under subsection (c) for such fiscal year as the number of bachelor's degrees awarded by the institution for the award year ending prior to the beginning of the preceding fiscal year to students who, during such award year, received a Federal Pell Grant and graduated from the program in which such students were enrolled in the normal time for completion of such program (within the meaning of section 132(i)(1)(J)(i)) bears to the total number of bachelor's degrees awarded to such students by all eligible institutions for such award year.

(c) DATA.—In determining the allotments under subsection (b), the Secretary may request from eligible institutions any data that may be necessary.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, and there are appropriated, to carry out this section $500,000,000 for fiscal year 2021 and each succeeding fiscal year. Any amounts appropriated under this subsection shall be available until expended.

(e) DEFINITIONS.—In this section:

(1) ELIGIBLE INSTITUTION.—The term "eligible institution" means an institution of higher education (as defined in section 101)—

(A) in which, for the 3 most recent award years, the average percentage of undergraduate students enrolled at the institution who received Federal Pell Grants is not less than 25 percent of the total number of undergraduate students enrolled at such institution; and

(B) that has not opted out of receiving an allotment under this section.

(2) LOW-INCOME STUDENT.—The term "low-income student" has the meaning given such term in section 499R(3).

Subpart 13—Emergency Financial Aid Grants

SEC. 420DD. EMERGENCY FINANCIAL AID GRANT PROGRAM.

(a) EMERGENCY FINANCIAL AID GRANT PROGRAMS AUTHORIZED.—The Secretary shall carry out a grant program to make grants, in accordance with subsection (c), to eligible entities to provide emergency financial aid grants to students in accordance with subsection (d).

(b) MATCHING FUNDS.—

(1) LIMITATION ON AMOUNT OF FEDERAL SHARE.—Except as provided in paragraph (3), the Federal share of the cost of any emergency grant aid program carried out under this section may not exceed 50 percent.

(2) LIMITATION.—Matching funds provided by an eligible entity under this subsection may not include in-kind contributions.

(3) EXCEPTIONS.—The Federal share of the cost of an emergency grant aid program carried out under this section shall equal 100 percent if the institution carrying out the emergency grant aid is an institution of higher education eligible for assistance under title III or V.

(c) APPLICATION.—

(1) IN GENERAL.—Each eligible entity desiring to carry out an emergency grant aid program under this section shall submit an application to the Secretary, at such time, in such manner, and containing such information as the Secretary may require.

(2) OUTREACH.—The Secretary shall, at least 30 days before each deadline to submit applications under paragraph (1), conduct outreach to institutions of higher education described in subsection (b)(3) to provide such institutions with information on the opportunity to apply under paragraph (1) to carry out an emergency grant aid program under this section.

(3) CONTENTS.—Each application under paragraph (1) shall include a description of the emergency grant aid program to be carried out by the eligible entity, including—

(A) an estimate of the number of emergency financial aid grants that such entity will make in an award year and how such eligible entity assessed such estimate;

(B) the criteria the eligible entity will use to determine an emergency for which an eligible student will be eligible to receive an emergency financial aid grant;

(C) an assurance that an emergency for which an eligible student will be eligible to receive an emergency financial aid grant will include financial challenges that would directly impact the ability of an eligible student to continue and complete the course of study of such student, including—

(i) a loss of employment, transportation, child care, utilities, or housing of the student;

(ii) a medical condition (including pregnancy) of the student, or a dependent of the student;

(iii) with respect to the eligible student, food insecurity; and

(iv) in the case of an eligible student who is a dependent student—

(I) the death of a parent or guardian of such eligible student; or

(II) a medical condition of the parent or guardian of such eligible student which results in the loss of employment of such parent or guardian;

(D) a description of the process by which an eligible student may apply and receive an emergency financial aid grant;

(E) an assurance that the eligible entity, when applicable, will make information available to eligible students about the eligibility of such students and their dependents for assistance under the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the special supplemental nutrition program for women, infants, and children under the Child Nutrition Act of 1966 (42 U.S.C. 1786), and the program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(F) how the eligible entity will administer the emergency grant aid program, including the processes the eligible entity will use to respond to applications, approve applications, and disburse emergency financial aid grants outside of normal business hours;

(G) an assurance that the process by which an eligible student applies for an emergency financial aid grant includes—

(i) to the extent practicable, an interview; and

(ii) at least one opportunity to appeal a denial of such a grant;

(H) an assurance that the eligible entity will acknowledge receipt of a student's request and distribute funds in a timely manner as determined by the Secretary;

(I) a description of how the school intends to limit fraud or abuse; and

(J) any other information the Secretary may require.

(4) PRIORITY.—In selecting eligible entities to carry out an emergency grant aid program under this section, the Secretary shall give priority to an eligible entity in which at least 30 percent of the students enrolled at such eligible entity are eligible to receive a Federal Pell Grant.

(d) USE OF FUNDS.—

(1) IN GENERAL.—An eligible entity may only use funds provided under this section to make emergency financial aid grants to eligible students.

(2) LIMITATIONS.—

(A) AMOUNT.—An emergency financial aid grant to an eligible student may not be in an amount greater than $750.

(B) TOTAL AMOUNT.—The total amount of the Federal share of emergency financial aid grants that an eligible student may receive from an eligible entity may not exceed $2,000. An eligible student may receive an amount under this section that would cause the amount of total financial aid received by such student to exceed the cost of attend-

ance of the institution of higher education in which the student is enrolled.

(e) REPORTING AND OVERSIGHT.—

(1) IN GENERAL.—Not less frequently than once annually, each eligible entity that receives a grant under this subpart shall submit to the Secretary a report on the progress of the eligible entity in carrying out the programs supported by such grant.

(2) FORM OF REPORT.—The report under paragraph (1) shall be submitted to the Secretary at such time, in such manner, and containing such information as the Secretary may require. The Secretary shall issue uniform guidelines describing the information that shall be reported by grantees under such paragraph.

(3) CONTENT OF REPORT.—The report under paragraph (1) shall include, at minimum, the following:

(A) The number of students that received a grant, including the number of students who received more than one grant.

(B) The average award amount awarded to eligible students.

(C) The types of emergencies declared and frequencies emergencies declared by eligible students.

(D) The number of students that applied for emergency grant aid.

(E) The number of students that were denied such grants.

(F) The average amount of time it took an eligible entity to respond to requests for emergency grant aid and average amount of time it took the eligible entity to award or deny the emergency grant aid.

(G) Outcomes of the eligible students that received emergency grant aid, including rates of persistence, retention, and completion, and a comparison of such rates for such students as compared to such rates for Federal Pell recipients at the institution.

(f) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term "eligible entity" means an institution of higher education that on the date such entity receives a grant under this section, is participating in the FSEOG program under subpart 3.

(2) ELIGIBLE STUDENT.—The term "eligible student" means a student who—

(A) is enrolled in an eligible entity on an at least half-time basis; and

(B) who is making satisfactory academic progress.

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101.

PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM

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SEC. 428. FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS.

(a) FEDERAL INTEREST SUBSIDIES.—

(1) TYPES OF LOANS THAT QUALIFY.—Each student who has received a loan for study at an eligible institution for which the first disbursement is made before July 1, 2010, and—

(A) which is insured by the Secretary under this part; or

(B) which is insured under a program of a State or of a nonprofit private institution or organization which was contracted for, and paid to the student, within the period specified in paragraph (5), and which—

(i) in the case of a loan insured prior to July 1, 1967, was made by an eligible lender and is insured under a program which meets the requirements of subparagraph (E) of subsection (b)(1) and provides that repayment of such loan shall be in installments beginning not earlier than 60 days after the student ceases to pursue a course of study (as described in subparagraph (D) of subsection (b)(1)) at an eligible institution, or

(ii) in the case of a loan insured after June 30, 1967, was made by an eligible lender and is insured under a program covered by an agreement made pursuant to subsection (b),

shall be entitled to have paid on his or her behalf and for his or her account to the holder of the loan a portion of the interest on such loan under circumstances described in paragraph (2).

(2) ADDITIONAL REQUIREMENTS TO RECEIVE SUBSIDY.—(A) Each student qualifying for a portion of an interest payment under paragraph (1) shall—

(i) have provided to the lender a statement from the eligible institution, at which the student has been accepted for enrollment, or at which the student is in attendance, which—

(I) sets forth the loan amount for which the student shows financial need; and

(II) sets forth a schedule for disbursement of the proceeds of the loan in installments, consistent with the requirements of section 428G;

(ii) meet the requirements of subparagraph (B); and

(iii) have provided to the lender at the time of application for a loan made, insured, or guaranteed under this part, the student's driver's number, if any.

(B) For the purpose of clause (ii) of subparagraph (A), a student shall qualify for a portion of an interest payment under paragraph (1) if the eligible institution has determined and documented the student's amount of need for a loan based on the student's estimated cost of attendance, estimated financial assistance, and, for the purpose of an interest payment pursuant to this section, expected family contribution (as determined under part F), subject to the provisions of subparagraph (D).

(C) For the purpose of this paragraph—

(i) a student's cost of attendance shall be determined under section 472;

(ii) a student's estimated financial assistance means, for the period for which the loan is sought—

(I) the amount of assistance such student will receive under subpart 1 of part A (as determined in accordance with section 484(b)), subpart 3 of part A, and parts C and E; plus

(II) other scholarship, grant, or loan assistance, but excluding—

(aa) any national service education award or post-service benefit under title I of the National and Community Service Act of 1990; and

(bb) any veterans' education benefits as defined in section 480(c); and

(iii) the determination of need and of the amount of a loan by an eligible institution under subparagraph (B) with respect to a student shall be calculated in accordance with part F.

(D) An eligible institution may not, in carrying out the provisions of subparagraphs (A) and (B) of this paragraph, provide a statement which certifies the eligibility of any student to receive any loan under this part in excess of the maximum amount applicable to such loan.

(E) For the purpose of subparagraphs (B) and (C) of this paragraph, any loan obtained by a student under section 428A or 428H or a parent under section 428B of this Act or under any State-sponsored or private loan program for an academic year for which the determination is made may be used to offset the expected family contribution of the student for that year.

(3) AMOUNT OF INTEREST SUBSIDY.—(A)(i) Subject to section 438(c), the portion of the interest on a loan which a student is entitled to have paid, on behalf of and for the account of the student, to the holder of the loan pursuant to paragraph (1) of this subsection shall be equal to the total amount of the interest on the unpaid principal amount of the loan—

(I) which accrues prior to the date the student ceases to carry at least one-half the normal full-time academic workload (as determined by the institution), or

(II) which accrues during a period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (b)(1)(M) of this section or in section 427(a)(2)(C).

(ii) Such portion of the interest on a loan shall not exceed, for any period, the amount of the interest on that loan which is payable by the student after taking into consideration the amount of any interest on that loan which the student is entitled to have paid on his or her behalf for that period under any State or private loan insurance program.

(iii) The holder of a loan with respect to which payments are required to be made under this section shall be deemed to have a contractual right, as against the United States, to receive from the Secretary the portion of interest which has been so determined without administrative delay after the receipt by the Secretary of an accurate and complete request for payment pursuant to paragraph (4).

(iv) The Secretary shall pay this portion of the interest to the holder of the loan on behalf of and for the account of the bor-

rower at such times as may be specified in regulations in force when the applicable agreement entered into pursuant to subsection (b) was made, or, if the loan was made by a State or is insured under a program which is not covered by such an agreement, at such times as may be specified in regulations in force at the time the loan was paid to the student.

(v) A lender may not receive interest on a loan for any period that precedes the date that is—

(I) in the case of a loan disbursed by check, 10 days before the first disbursement of the loan;

(II) in the case of a loan disbursed by electronic funds transfer, 3 days before the first disbursement of the loan; or

(III) in the case of a loan disbursed through an escrow agent, 3 days before the first disbursement of the loan.

(B) If—

(i) a State student loan insurance program is covered by an agreement under subsection (b),

(ii) a statute of such State limits the interest rate on loans insured by such program to a rate which is less than the applicable interest rate under this part, and

(iii) the Secretary determines that subsection (d) does not make such statutory limitation inapplicable and that such statutory limitation threatens to impede the carrying out of the purpose of this part,

then the Secretary may pay an administrative cost allowance to the holder of each loan which is insured under such program and which is made during the period beginning on the 60th day after the date of enactment of the Higher Education Amendments of 1968 and ending 120 days after the adjournment of such State's first regular legislative session which adjourns after January 1, 1969. Such administrative cost allowance shall be paid over the term of the loan in an amount per year (determined by the Secretary) which shall not exceed 1 percent of the unpaid principal balance of the loan.

(4) SUBMISSION OF STATEMENTS BY HOLDERS ON AMOUNT OF PAYMENT.—Each holder of a loan with respect to which payments of interest are required to be made by the Secretary shall submit to the Secretary, at such time or times and in such manner as the Secretary may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Secretary to determine the amount of the payment which he must make with respect to that loan.

(5) DURATION OF AUTHORITY TO MAKE INTEREST SUBSIDIZED LOANS.—The period referred to in subparagraph (B) of paragraph (1) of this subsection shall begin on the date of enactment of this Act and end at the close of June 30, 2010.

(6) ASSESSMENT OF BORROWER'S FINANCIAL CONDITION NOT PROHIBITED OR REQUIRED.—Nothing in this or any other Act shall be construed to prohibit or require, unless otherwise specifically provided by law, a lender to evaluate the total financial situation of a student making application for a loan under this part, or to counsel a student with respect to any such loan,

or to make a decision based on such evaluation and counseling with respect to the dollar amount of any such loan.

(7) LOANS THAT HAVE NOT BEEN CONSUMMATED.—Lenders may not charge interest or receive interest subsidies or special allowance payments for loans for which the disbursement checks have not been cashed or for which electronic funds transfers have not been completed.

(b) INSURANCE PROGRAM AGREEMENTS TO QUALIFY LOANS FOR INTEREST SUBSIDIES.—

(1) REQUIREMENTS OF INSURANCE PROGRAM.—Any State or any nonprofit private institution or organization may enter into an agreement with the Secretary for the purpose of entitling students who receive loans which are insured under a student loan insurance program of that State, institution, or organization to have made on their behalf the payments provided for in subsection (a) if the Secretary determines that the student loan insurance program—

(A) authorizes the insurance in any academic year, as defined in section 481(a)(2), or its equivalent (as determined under regulations of the Secretary) for any student who is carrying at an eligible institution or in a program of study abroad approved for credit by the eligible home institution at which such student is enrolled at least one-half the normal full-time academic workload (as determined by the institution) in any amount up to a maximum of—

(i) in the case of a student at an eligible institution who has not successfully completed the first year of a program of undergraduate education—

(I) $3,500, if such student is enrolled in a program whose length is at least one academic year in length; and

(II) if such student is enrolled in a program of undergraduate education which is less than 1 academic year, the maximum annual loan amount that such student may receive may not exceed the amount that bears the same ratio to the amount specified in subclause (I) as the length of such program measured in semester, trimester, quarter, or clock hours bears to 1 academic year;

(ii) in the case of a student at an eligible institution who has successfully completed such first year but has not successfully completed the remainder of a program of undergraduate education—

(I) $4,500; or

(II) if such student is enrolled in a program of undergraduate education, the remainder of which is less than one academic year, the maximum annual loan amount that such student may receive may not exceed the amount that bears the same ratio to the amount specified in subclause (I) as such remainder measured in semester, trimester, quarter, or clock hours bears to one academic year;

(iii) in the case of a student at an eligible institution who has successfully completed the first and second

years of a program of undergraduate education but has not successfully completed the remainder of such program—

(I) $5,500; or

(II) if such student is enrolled in a program of undergraduate education, the remainder of which is less than one academic year, the maximum annual loan amount that such student may receive may not exceed the amount that bears the same ratio to the amount specified in subclause (I) as such remainder measured in semester, trimester, quarter, or clock hours bears to one academic year;

(iv) in the case of a student who has received an associate or baccalaureate degree and is enrolled in an eligible program for which the institution requires such degree for admission, the number of years that a student has completed in a program of undergraduate education shall, for the purposes of clauses (ii) and (iii), include any prior enrollment in the eligible program of undergraduate education for which the student was awarded such degree;

(v) in the case of a graduate or professional student (as defined in regulations of the Secretary) at an eligible institution, $8,500; and

(vi) in the case of a student enrolled in coursework specified in sections 484(b)(3)(B) and 484(b)(4)(B)—

(I) $2,625 for coursework necessary for enrollment in an undergraduate degree or certificate program, and, in the case of a student who has obtained a baccalaureate degree, $5,500 for coursework necessary for enrollment in a graduate or professional degree or certification program; and

(II) in the case of a student who has obtained a baccalaureate degree, $5,500 for coursework necessary for a professional credential or certification from a State required for employment as a teacher in an elementary school or secondary school;

except in cases where the Secretary determines, pursuant to regulations, that a higher amount is warranted in order to carry out the purpose of this part with respect to students engaged in specialized training requiring exceptionally high costs of education, but the annual insurable limit per student shall not be deemed to be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any years in excess of the annual limit;

(B) provides that the aggregate insured unpaid principal amount for all such insured loans made to any student shall be any amount up to a maximum of—

(i) $23,000, in the case of any student who has not successfully completed a program of undergraduate education, excluding loans made under section 428A or 428B; and

(ii) $65,500, in the case of any graduate or professional student (as defined by regulations of the Secretary), and (I) including any loans which are insured by the Secretary under this section, or by a guaranty agency, made to such student before the student became a graduate or professional student, but (II) excluding loans made under section 428A or 428B,

except that the Secretary may increase the limit applicable to students who are pursuing programs which the Secretary determines are exceptionally expensive;

(C) authorizes the insurance of loans to any individual student for at least 6 academic years of study or their equivalent (as determined under regulations of the Secretary);

(D) provides that (i) the student borrower shall be entitled to accelerate without penalty the whole or any part of an insured loan, (ii) the student borrower [may annually change the selection of a repayment plan under this part,] *may at any time after July 1, 2021, change the selection of a repayment plan under this part to one of the 2 repayment plans described in paragraph (9)(C),* and (iii) the note, or other written evidence of any loan, may contain such reasonable provisions relating to repayment in the event of default by the borrower as may be authorized by regulations of the Secretary in effect at the time such note or written evidence was executed, and shall contain a notice that repayment may, following a default by the borrower, [be subject to income contingent repayment in accordance with subsection (m);] *be subject to income-based repayment in accordance with section 493C(f);*

(E) subject to subparagraphs (D) and (L), and except as provided by subparagraph (M), provides that—

(i) not more than 6 months prior to the date on which the borrower's first payment is due, the lender shall offer the borrower of a loan made, insured, or guaranteed under this section or section 428H, [the option of repaying the loan in accordance with a standard, graduated, income-sensitive, or extended repayment schedule (as described in paragraph (9)) established by the lender in accordance with regulations of the Secretary; and] *the option of repaying the loan in accordance with a repayment plan described in paragraph (9)(C) established by the lender in accordance with regulations of the Secretary; and*

(ii) repayment of loans shall be in installments in accordance with the repayment plan selected under paragraph (9) and commencing at the beginning of the repayment period determined under paragraph (7);

(F) authorizes interest on the unpaid balance of the loan at a yearly rate not in excess (exclusive of any premium for insurance which may be passed on to the borrower) of the rate required by section 427A;

(G) insures 98 percent of the unpaid principal of loans insured under the program, except that—

(i) such program shall insure 100 percent of the unpaid principal of loans made with funds advanced pursuant to section 428(j);

(ii) for any loan for which the first disbursement of principal is made on or after July 1, 2006, and before July 1, 2010, the preceding provisions of this subparagraph shall be applied by substituting "97 percent" for "98 percent"; and

(iii) notwithstanding the preceding provisions of this subparagraph, such program shall insure 100 percent of the unpaid principal amount of exempt claims as defined in subsection (c)(1)(G);

(H) provides—

(i) for loans for which the date of guarantee of principal is before July 1, 2006, for the collection of a single insurance premium equal to not more than 1.0 percent of the principal amount of the loan, by deduction proportionately from each installment payment of the proceeds of the loan to the borrower, and ensures that the proceeds of the premium will not be used for incentive payments to lenders; or

(ii) for loans for which the date of guarantee of principal is on or after July 1, 2006, and that are first disbursed before July 1, 2010, for the collection, and the deposit into the Federal Student Loan Reserve Fund under section 422A of a Federal default fee of an amount equal to 1.0 percent of the principal amount of the loan, which fee shall be collected either by deduction from the proceeds of the loan or by payment from other non-Federal sources, and ensures that the proceeds of the Federal default fee will not be used for incentive payments to lenders;

(I) provides that the benefits of the loan insurance program will not be denied any student who is eligible for interest benefits under subsection (a) (1) and (2);

(J) provides that a student may obtain insurance under the program for a loan for any year of study at an eligible institution;

(K) in the case of a State program, provides that such State program is administered by a single State agency, or by one or more nonprofit private institutions or organizations under supervision of a single State agency;

(L) provides that the total of the payments by a borrower—

(i) except as otherwise provided by a repayment plan selected by the borrower under clause (ii), (iii), or (v) of paragraph (9)(A), during any year of any repayment period with respect to the aggregate amount of all loans to that borrower which are insured under this part shall not, unless the borrower and the lender otherwise agree, be less than $600 or the balance of all such loans (together with interest thereon), whichever amount is less (but in no instance less than the amount of interest due and payable, notwithstanding any payment plan under paragraph (9)(A)); and

(ii) for a monthly or other similar payment period with respect to the aggregate of all loans held by the lender may, when the amount of a monthly or other similar payment is not a multiple of $5, be rounded to the next highest whole dollar amount that is a multiple of $5;

(M) provides that periodic installments of principal need not be paid, but interest shall accrue and be paid by the Secretary, during any period—

(i) during which the borrower—

(I) is pursuing at least a half-time course of study as determined by an eligible institution, except that no borrower, notwithstanding the provisions of the promissory note, shall be required to borrow an additional loan under this title in order to be eligible to receive a deferment under this clause; or

(II) is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary, or pursuant to a rehabilitation training program for disabled individuals approved by the Secretary,

except that no borrower shall be eligible for a deferment under this clause, or loan made under this part (other than a loan made under section 428B or 428C), while serving in a medical internship or residency program;

(ii) not in excess of 3 years during which the borrower is seeking and unable to find full-time employment, except that no borrower who provides evidence of eligibility for unemployment benefits shall be required to provide additional paperwork for a deferment under this clause;

(iii) during which the borrower—

(I) is serving on active duty during a war or other military operation or national emergency; or

(II) is performing qualifying National Guard duty during a war or other military operation or national emergency,

and for the 180-day period following the demobilization date for the service described in subclause (I) or (II);

(iv) not in excess of 3 years for any reason which the lender determines, in accordance with regulations prescribed by the Secretary under section 435(o), has caused or will cause the borrower to have an economic hardship; or

(v) during which the borrower is receiving treatment for cancer and the 6 months after such period;

(N) provides that funds borrowed by a student—

(i) are disbursed to the institution by check or other means that is payable to, and requires the endorsement or other certification by, such student;

(ii) in the case of a student who is studying outside the United States in a program of study abroad that

is approved for credit by the home institution at which such student is enrolled, and only after verification of the student's enrollment by the lender or guaranty agency, are, at the request of the student, disbursed directly to the student by the means described in clause (i), unless such student requests that the check be endorsed, or the funds transfer be authorized, pursuant to an authorized power-of-attorney; or

(iii) in the case of a student who is studying outside the United States in a program of study at an eligible foreign institution, are, at the request of the foreign institution, disbursed directly to the student, only after verification of the student's enrollment by the lender or guaranty agency by the means described in clause (i).

(O) provides that the proceeds of the loans will be disbursed in accordance with the requirements of section 428G;

(P) requires the borrower to notify the institution concerning any change in local address during enrollment and requires the borrower and the institution at which the borrower is in attendance promptly to notify the holder of the loan, directly or through the guaranty agency, concerning (i) any change of permanent address, (ii) when the student ceases to be enrolled on at least a half-time basis, and (iii) any other change in status, when such change in status affects the student's eligibility for the loan;

(Q) provides for the guarantee of loans made to students and parents under sections 428A and 428B;

(R) with respect to lenders which are eligible institutions, provides for the insurance of loans by only such institutions as are located within the geographic area served by such guaranty agency;

(S) provides no restrictions with respect to the insurance of loans for students who are otherwise eligible for loans under such program if such a student is accepted for enrollment in or is attending an eligible institution within the State, or if such a student is a legal resident of the State and is accepted for enrollment in or is attending an eligible institution outside that State;

(T) authorizes (i) the limitation of the total number of loans or volume of loans, made under this part to students attending a particular eligible institution during any academic year; and (ii) the emergency action, limitation, suspension, or termination of the eligibility of an eligible institution if—

(I) such institution is ineligible for the emergency action, limitation, suspension, or termination of eligible institutions under regulations issued by the Secretary or is ineligible pursuant to criteria, rules, or regulations issued under the student loan insurance program which are substantially the same as regulations with respect to emergency action, limitation, sus-

pension, or termination of such eligibility issued by the Secretary;

(II) there is a State constitutional prohibition affecting the eligibility of such an institution;

(III) such institution fails to make timely refunds to students as required by regulations issued by the Secretary or has not satisfied within 30 days of issuance a final judgment obtained by a student seeking such a refund;

(IV) such institution or an owner, director, or officer of such institution is found guilty in any criminal, civil, or administrative proceeding, or such institution or an owner, director, or officer of such institution is found liable in any civil or administrative proceeding, regarding the obtaining, maintenance, or disbursement of State or Federal grant, loan, or work assistance funds; or

(V) such institution or an owner, director, or officer of such institution has unpaid financial liabilities involving the improper acquisition, expenditure, or refund of State or Federal financial assistance funds;

except that, if a guaranty agency limits, suspends, or terminates the participation of an eligible institution, the Secretary shall apply that limitation, suspension, or termination to all locations of such institution, unless the Secretary finds, within 30 days of notification of the action by the guaranty agency, that the guaranty agency's action did not comply with the requirements of this section;

(U) provides (i) for the eligibility of all lenders described in section 435(d)(1) under reasonable criteria, unless (I) that lender is eliminated as a lender under regulations for the emergency action, limitation, suspension, or termination of a lender under the Federal student loan insurance program or is eliminated as a lender pursuant to criteria issued under the student loan insurance program which are substantially the same as regulations with respect to such eligibility as a lender issued under the Federal student loan insurance program, or (II) there is a State constitutional prohibition affecting the eligibility of a lender, (ii) assurances that the guaranty agency will report to the Secretary concerning changes in such criteria, including any procedures in effect under such program to take emergency action, limit, suspend, or terminate lenders, and (iii) for (I) a compliance audit of each lender that originates or holds more than $5,000,000 in loans made under this title for any lender fiscal year (except that each lender described in section 435(d)(1)(A)(ii)(III) shall annually submit the results of an audit required by this clause), at least once a year and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary, or (II) with regard to a

lender that is audited under chapter 75 of title 31, United States Code, such audit shall be deemed to satisfy the requirements of subclause (I) for the period covered by such audit, except that the Secretary may waive the requirements of this clause (iii) if the lender submits to the Secretary the results of an audit conducted for other purposes that the Secretary determines provides the same information as the audits required by this clause;

(V) provides authority for the guaranty agency to require a participation agreement between the guaranty agency and each eligible institution within the State in which it is designated, as a condition for guaranteeing loans made on behalf of students attending the institution;

(W) provides assurances that the agency will implement all requirements of the Secretary for uniform claims and procedures pursuant to section 432(l);

(X) provides information to the Secretary in accordance with section 428(c)(9) and maintains reserve funds determined by the Secretary to be sufficient in relation to such agency's guarantee obligations; and

(Y) provides that—

(i) the lender shall determine the eligibility of a borrower for a deferment described in subparagraph (M)(i) based on—

(I) receipt of a request for deferment from the borrower and documentation of the borrower's eligibility for the deferment;

(II) receipt of a newly completed loan application that documents the borrower's eligibility for a deferment;

(III) receipt of student status information documenting that the borrower is enrolled on at least a half-time basis; or

(IV) the lender's confirmation of the borrower's half-time enrollment status through use of the National Student Loan Data System, if the confirmation is requested by the institution of higher education;

(ii) the lender will notify the borrower of the granting of any deferment under clause (i)(II) or (III) of this subparagraph and of the option to continue paying on the loan; and

(iii) the lender shall, at the time the lender grants a deferment to a borrower who received a loan under section 428H and is eligible for a deferment under subparagraph (M) of this paragraph, provide information to the borrower to assist the borrower in understanding the impact of the capitalization of interest on the borrower's loan principal and on the total amount of interest to be paid during the life of the loan.

(2) CONTENTS OF INSURANCE PROGRAM AGREEMENT.—Such an agreement shall—

(A) provide that the holder of any such loan will be required to submit to the Secretary, at such time or times and in such manner as the Secretary may prescribe, state-

ments containing such information as may be required by or pursuant to regulation for the purpose of enabling the Secretary to determine the amount of the payment which must be made with respect to that loan;

(B) include such other provisions as may be necessary to protect the United States from the risk of unreasonable loss and promote the purpose of this part, including such provisions as may be necessary for the purpose of section 437, and as are agreed to by the Secretary and the guaranty agency, as the case may be;

(C) provide for making such reports, in such form and containing such information, including financial information, as the Secretary may reasonably require to carry out the Secretary's functions under this part and protect the financial interest of the United States, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports;

(D) provide for—

(i) conducting, except as provided in clause (ii), financial and compliance audits of the guaranty agency on at least an annual basis and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary; or

(ii) with regard to a guaranty program of a State which is audited under chapter 75 of title 31, United States Code, deeming such audit to satisfy the requirements of clause (i) for the period of time covered by such audit;

(E)(i) provide that any guaranty agency may transfer loans which are insured under this part to any other guaranty agency with the approval of the holder of the loan and such other guaranty agency; and

(ii) provide that the lender (or the holder of the loan) shall, not later than 120 days after the borrower has left the eligible institution, notify the borrower of the date on which the repayment period begins; and

(F) provide that, if the sale, other transfer, or assignment of a loan made under this part to another holder will result in a change in the identity of the party to whom the borrower must send subsequent payments or direct any communications concerning the loans, then—

(i) the transferor and the transferee will be required, not later than 45 days from the date the transferee acquires a legally enforceable right to receive payment from the borrower on such loan, either jointly or separately to provide a notice to the borrower of—

(I) the sale or other transfer;

(II) the identity of the transferee;

(III) the name and address of the party to whom subsequent payments or communications must be sent;

(IV) the telephone numbers of both the transferor and the transferee;

(V) the effective date of the transfer;

(VI) the date on which the current servicer (as of the date of the notice) will stop accepting payments; and

(VII) the date on which the new servicer will begin accepting payments; and

(ii) the transferee will be required to notify the guaranty agency, and, upon the request of an institution of higher education, the guaranty agency shall notify the last such institution the student attended prior to the beginning of the repayment period of any loan made under this part, of—

(I) any sale or other transfer of the loan; and

(II) the address and telephone number by which contact may be made with the new holder concerning repayment of the loan,

except that this subparagraph (F) shall only apply if the borrower is in the grace period described in section 427(a)(2)(B) or 428(b)(7) or is in repayment status.

(3) RESTRICTIONS ON INDUCEMENTS, PAYMENTS, MAILINGS, AND ADVERTISING.—A guaranty agency shall not—

(A) offer, directly or indirectly, premiums, payments, stock or other securities, prizes, travel, entertainment expenses, tuition payment or reimbursement, or other inducements to—

(i) any institution of higher education, any employee of an institution of higher education, or any individual or entity in order to secure applicants for loans made under this part; or

(ii) any lender, or any agent, employee, or independent contractor of any lender or guaranty agency, in order to administer or market loans made under this part (other than a loan made as part of the guaranty agency's lender-of-last-resort program pursuant to section 428(j)), for the purpose of securing the designation of the guaranty agency as the insurer of such loans;

(B) conduct unsolicited mailings, by postal or electronic means, of student loan application forms to students enrolled in secondary schools or postsecondary educational institutions, or to the families of such students, except that applications may be mailed, by postal or electronic means, to students or borrowers who have previously received loans guaranteed under this part by the guaranty agency;

(C) perform, for an institution of higher education participating in a program under this title, any function that such institution is required to perform under this title, except that the guaranty agency may perform functions on behalf of such institution in accordance with section 485(b) or 485(l);

(D) pay, on behalf of an institution of higher education, another person to perform any function that such institution is required to perform under this title, except that the guaranty agency may perform functions on behalf of such institution in accordance with section 485(b) or 485(l); or

(E) conduct fraudulent or misleading advertising concerning loan availability, terms, or conditions.

It shall not be a violation of this paragraph for a guaranty agency to provide technical assistance to institutions of higher education comparable to the technical assistance provided to institutions of higher education by the Department.

(4) SPECIAL RULE.—With respect to the graduate fellowship program referred to in paragraph (1)(M)(i)(II), the Secretary shall approve any course of study at a foreign university that is accepted for the completion of a recognized international fellowship program by the administrator of such a program. Requests for deferment of repayment of loans under this part by students engaged in graduate or postgraduate fellowship-supported study (such as pursuant to a Fulbright grant) outside the United States shall be approved until completion of the period of the fellowship.

(5) GUARANTY AGENCY INFORMATION TRANSFERS.—(A) Until such time as the Secretary has implemented section 485B and is able to provide to guaranty agencies the information required by such section, any guaranty agency may request information regarding loans made after January 1, 1987, to students who are residents of the State for which the agency is the designated guarantor, from any other guaranty agency insuring loans to such students.

(B) Upon a request pursuant to subparagraph (A), a guaranty agency shall provide—

(i) the name and the social security number of the borrower; and

(ii) the amount borrowed and the cumulative amount borrowed.

(C) Any costs associated with fulfilling the request of a guaranty agency for information on students shall be paid by the guaranty agency requesting the information.

(6) STATE GUARANTY AGENCY INFORMATION REQUEST OF STATE LICENSING BOARDS.—Each guaranty agency is authorized to enter into agreements with each appropriate State licensing board under which the State licensing board, upon request, will furnish the guaranty agency with the address of a student borrower in any case in which the location of the student borrower is unknown or unavailable to the guaranty agency.

(7) REPAYMENT PERIOD.—(A) In the case of a loan made under section 427 or 428, the repayment period shall exclude any period of authorized deferment or forbearance and shall begin the day after 6 months after the date the student ceases to carry at least one-half the normal full-time academic workload (as determined by the institution).

(B) In the case of a loan made under section 428H, the repayment period shall exclude any period of authorized deferment or forbearance, and shall begin as described in sub-

paragraph (A), but interest shall begin to accrue or be paid by the borrower on the day the loan is disbursed.

(C) In the case of a loan made under section 428B or 428C, the repayment period shall begin on the day the loan is disbursed, or, if the loan is disbursed in multiple installments, on the day of the last such disbursement, and shall exclude any period of authorized deferment or forbearance.

(D) There shall be excluded from the 6-month period that begins on the date on which a student ceases to carry at least one-half the normal full-time academic workload as described in subparagraph (A) any period not to exceed 3 years during which a borrower who is a member of a reserve component of the Armed Forces named in section 10101 of title 10, United States Code, is called or ordered to active duty for a period of more than 30 days (as defined in section 101(d)(2) of such title). Such period of exclusion shall include the period necessary to resume enrollment at the borrower's next available regular enrollment period.

(8) MEANS OF DISBURSEMENT OF LOAN PROCEEDS.—Nothing in this title shall be interpreted to prohibit the disbursement of loan proceeds by means other than by check or to allow the Secretary to require checks to be made co-payable to the institution and the borrower.

(9) REPAYMENT PLANS.—

(A) DESIGN AND SELECTION.—In accordance with regulations promulgated by the Secretary, the lender shall offer a borrower of a loan made under this part the plans described in this subparagraph for repayment of such loan, including principal and interest thereon. No plan may require a borrower to repay a loan in less than 5 years unless the borrower, during the 6 months immediately preceding the start of the repayment period, specifically requests that repayment be made over of a shorter period. The borrower may choose from—

(i) a standard repayment plan, with a fixed annual repayment amount paid over a fixed period of time, not to exceed 10 years;

(ii) a graduated repayment plan paid over a fixed period of time, not to exceed 10 years;

(iii) an income-sensitive repayment plan, with income-sensitive repayment amounts paid over a fixed period of time, not to exceed 10 years, except that the borrower's scheduled payments shall not be less than the amount of interest due;

(iv) for new borrowers on or after the date of enactment of the Higher Education Amendments of 1998 who accumulate (after such date) outstanding loans under this part totaling more than $30,000, an extended repayment plan, with a fixed annual or graduated repayment amount paid over an extended period of time, not to exceed 25 years, except that the borrower shall repay annually a minimum amount determined in accordance with paragraph (1)(L)(i); and

(v) beginning July 1, 2009, an income-based repayment plan that enables a borrower who has a partial

financial hardship to make a lower monthly payment in accordance with section 493C, except that the plan described in this clause shall not be available to a borrower for a loan under section 428B made on behalf of a dependent student or for a consolidation loan under section 428C, if the proceeds of such loan were used to discharge the liability of a loan under section 428B made on behalf of a dependent student.

(B) LENDER SELECTION OF OPTION IF BORROWER DOES NOT SELECT.—If a borrower of a loan made under this part does not select a repayment plan described in subparagraph (A), the lender shall provide the borrower with a repayment plan described in subparagraph (A)(i).

(C) SELECTION OF REPAYMENT PLANS ON AND AFTER JULY 1, 2021.—Notwithstanding any other provision of this paragraph, or any other provision of law, and in accordance with regulations, beginning on July 1, 2021, the lender shall offer a borrower of a loan made, insured, or guaranteed under this part the opportunity to change repayment plans, and to enroll in one of the following repayment plans:

(i) A fixed repayment plan described in section 493E.

(ii) The income-based repayment plan under section 493C(f).

(c) GUARANTY AGREEMENTS FOR REIMBURSING LOSSES.—

(1) AUTHORITY TO ENTER INTO AGREEMENTS.—(A) The Secretary may enter into a guaranty agreement with any guaranty agency, whereby the Secretary shall undertake to reimburse it, under such terms and conditions as the Secretary may establish, with respect to losses (resulting from the default of the student borrower) on the unpaid balance of the principal and accrued interest of any insured loan. The guaranty agency shall, be deemed to have a contractual right against the United States, during the life of such loan, to receive reimbursement according to the provisions of this subsection. Upon receipt of an accurate and complete request by a guaranty agency for reimbursement with respect to such losses, the Secretary shall pay promptly and without administrative delay. Except as provided in subparagraph (B) of this paragraph and in paragraph (7), the amount to be paid a guaranty agency as reimbursement under this subsection shall be equal to 100 percent of the amount expended by it in discharge of its insurance obligation incurred under its loan insurance program. A guaranty agency shall file a claim for reimbursement with respect to losses under this subsection within 30 days after the guaranty agency discharges its insurance obligation on the loan.

(B) Notwithstanding subparagraph (A)—

(i) if, for any fiscal year, the amount of such reimbursement payments by the Secretary under this subsection exceeds 5 percent of the loans which are insured by such guaranty agency under such program and which were in repayment at the end of the preceding fiscal year, the amount to be paid as reimbursement under this subsection

for such excess shall be equal to 85 percent of the amount of such excess; and

(ii) if, for any fiscal year, the amount of such reimbursement payments exceeds 9 percent of such loans, the amount to be paid as reimbursement under this subsection for such excess shall be equal to 75 percent of the amount of such excess.

(C) For the purpose of this subsection, the amount of loans of a guaranty agency which are in repayment shall be the original principal amount of loans made by a lender which are insured by such a guaranty agency reduced by—

(i) the amount the insurer has been required to pay to discharge its insurance obligations under this part;

(ii) the original principal amount of loans insured by it which have been fully repaid; and

(iii) the original principal amount insured on those loans for which payment of the first installment of principal has not become due pursuant to subsection (b)(1)(E) of this section or such first installment need not be paid pursuant to subsection (b)(1)(M) of this section.

(D) Notwithstanding any other provisions of this section, in the case of a loan made pursuant to a lender-of-last-resort program, the Secretary shall apply the provisions of—

(i) the fourth sentence of subparagraph (A) by substituting "100 percent" for "95 percent";

(ii) subparagraph (B)(i) by substituting "100 percent" for "85 percent"; and

(iii) subparagraph (B)(ii) by substituting "100 percent" for "75 percent".

(E) Notwithstanding any other provisions of this section, in the case of an outstanding loan transferred to a guaranty agency from another guaranty agency pursuant to a plan approved by the Secretary in response to the insolvency of the latter such guarantee agency, the Secretary shall apply the provision of—

(i) the fourth sentence of subparagraph (A) by substituting "100 percent" for "95 percent";

(ii) subparagraph (B)(i) by substituting "90 percent" for "85 percent"; and

(iii) subparagraph (B)(ii) by substituting "80 percent" for "75 percent".

(F)(i) Notwithstanding any other provisions of this section, in the case of exempt claims, the Secretary shall apply the provisions of—

(I) the fourth sentence of subparagraph (A) by substituting "100 percent" for "95 percent";

(II) subparagraph (B)(i) by substituting "100 percent" for "85 percent"; and

(III) subparagraph (B)(ii) by substituting "100 percent" for "75 percent".

(ii) For purposes of clause (i) of this subparagraph, the term "exempt claims" means claims with respect to loans for which it is determined that the borrower (or the student on whose behalf a parent has borrowed), without the lender's or the institution's knowledge at the time the loan was made, provided

false or erroneous information or took actions that caused the borrower or the student to be ineligible for all or a portion of the loan or for interest benefits thereon.

(G) Notwithstanding any other provision of this section, the Secretary shall exclude a loan made pursuant to a lender-of-last-resort program when making reimbursement payment calculations under subparagraphs (B) and (C).

(2) CONTENTS OF GUARANTY AGREEMENTS.—The guaranty agreement—

(A) shall set forth such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss thereunder, to ensure proper and efficient administration of the loan insurance program, and to assure that due diligence will be exercised in the collection of loans insured under the program, including (i) a requirement that each beneficiary of insurance on the loan submit proof that the institution was contacted and other reasonable attempts were made to locate the borrower (when the location of the borrower is unknown) and proof that contact was made with the borrower (when the location is known) and (ii) requirements establishing procedures to preclude consolidation lending from being an excessive proportion of guaranty agency recoveries on defaulted loans under this part;

(B) shall provide for making such reports, in such form and containing such information, as the Secretary may reasonably require to carry out the Secretary's functions under this subsection, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports;

(C) shall set forth adequate assurances that, with respect to so much of any loan insured under the loan insurance program as may be guaranteed by the Secretary pursuant to this subsection, the undertaking of the Secretary under the guaranty agreement is acceptable in full satisfaction of State law or regulation requiring the maintenance of a reserve;

(D) shall provide that if, after the Secretary has made payment under the guaranty agreement pursuant to paragraph (1) of this subsection with respect to any loan, any payments are made in discharge of the obligation incurred by the borrower with respect to such loan (including any payments of interest accruing on such loan after such payment by the Secretary), there shall be paid over to the Secretary (for deposit in the fund established by section 431) such proportion of the amounts of such payments as is determined (in accordance with paragraph (6)(A)) to represent his equitable share thereof, but (i) shall provide for subrogation of the United States to the rights of any insurance beneficiary only to the extent required for the purpose of paragraph (8); and (ii) except as the Secretary may otherwise by or pursuant to regulation provide, amounts so paid by a borrower on such a loan shall be first applied in reduction of principal owing on such loan;

(E) shall set forth adequate assurance that an amount equal to each payment made under paragraph (1) will be promptly deposited in or credited to the accounts maintained for the purpose of section 422(c);

(F) set forth adequate assurances that the guaranty agency will not engage in any pattern or practice which results in a denial of a borrower's access to loans under this part because of the borrower's race, sex, color, religion, national origin, age, handicapped status, income, attendance at a particular eligible institution within the area served by the guaranty agency, length of the borrower's educational program, or the borrower's academic year in school;

(G) shall prohibit the Secretary from making any reimbursement under this subsection to a guaranty agency when a default claim is based on an inability to locate the borrower, unless the guaranty agency, at the time of filing for reimbursement, certifies to the Secretary that diligent attempts, including contact with the institution, have been made to locate the borrower through the use of reasonable skip-tracing techniques in accordance with regulations prescribed by the Secretary; and

(H) set forth assurances that—

(i) upon the request of an eligible institution, the guaranty agency shall, subject to clauses (ii) and (iii), furnish to the institution information with respect to students (including the names and addresses of such students) who received loans made, insured, or guaranteed under this part for attendance at the eligible institution and for whom default aversion assistance activities have been requested under subsection (l);

(ii) the guaranty agency shall not require the payment from the institution of any fee for such information; and

(iii) the guaranty agency will require the institution to use such information only to assist the institution in reminding students of their obligation to repay student loans and shall prohibit the institution from disseminating the information for any other purpose.

(I) may include such other provisions as may be necessary to promote the purpose of this part.

(3) FORBEARANCE.—A guaranty agreement under this subsection—

(A) shall contain provisions providing that—

(i) upon request, a lender shall grant a borrower forbearance, renewable at 12-month intervals, on terms agreed to by the parties to the loan with the approval of the insurer and documented in accordance with paragraph (10), and otherwise consistent with the regulations of the Secretary, if the borrower—

(I) is serving in a medical or dental internship or residency program, the successful completion of which is required to begin professional practice or service, or is serving in a medical or dental internship or residency program leading to a degree or

certificate awarded by an institution of higher education, a hospital, or a health care facility that offers postgraduate training, provided that if the borrower qualifies for a deferment under section 427(a)(2)(C)(vii) or subsection (b)(1)(M)(vii) of this section as in effect prior to the enactment of the Higher Education Amendments of 1992, or section 427(a)(2)(C) or subsection (b)(1)(M) of this section as amended by such amendments, the borrower has exhausted his or her eligibility for such deferment;

(II) has a debt burden under this title that equals or exceeds 20 percent of income;

(III) is serving in a national service position for which the borrower receives a national service educational award under the National and Community Service Trust Act of 1993; or

(IV) is eligible for interest payments to be made on such loan for service in the Armed Forces under section 2174 of title 10, United States Code, and, pursuant to that eligibility, the interest is being paid on such loan under subsection (o);

(ii) the length of the forbearance granted by the lender—

(I) under clause (i)(I) shall equal the length of time remaining in the borrower's medical or dental internship or residency program, if the borrower is not eligible to receive a deferment described in such clause, or such length of time remaining in the program after the borrower has exhausted the borrower's eligibility for such deferment;

(II) under clause (i)(II) or (IV) shall not exceed 3 years; or

(III) under clause (i)(III) shall not exceed the period for which the borrower is serving in a position described in such clause; and

(iii) no administrative or other fee may be charged in connection with the granting of a forbearance under clause (i), and no adverse information regarding a borrower may be reported to a consumer reporting agency solely because of the granting of such forbearance;

(B) may, to the extent provided in regulations of the Secretary, contain provisions that permit such forbearance for the benefit of the student borrower as may be agreed upon by the parties to an insured loan and approved by the insurer;

(C) shall contain provisions that specify that—

(i) the form of forbearance granted by the lender pursuant to this paragraph, other than subparagraph (A)(i)(IV), shall be temporary cessation of payments, unless the borrower selects forbearance in the form of an extension of time for making payments, or smaller payments than were previously scheduled;

(ii) the form of forbearance granted by the lender pursuant to subparagraph (A)(i)(IV) shall be the temporary cessation of all payments on the loan other than payments of interest on the loan that are made under subsection (o);

(iii) the lender shall, at the time of granting a borrower forbearance, provide information to the borrower to assist the borrower in understanding the impact of capitalization of interest on the borrower's loan principal and total amount of interest to be paid during the life of the loan*, and with respect to a forbearance granted to a borrower on or after the date of enactment of the College Affordability Act on a loan made, insured or guaranteed under this section, provide information to the borrower to assist the borrower in understanding that interest shall accrue on the loan but not be capitalized at the expiration of such period of forbearance*; and

(iv) the lender shall contact the borrower not less often than once every 180 days during the period of forbearance to inform the borrower of—

(I) the amount of unpaid principal and the amount of interest that has accrued since the last statement of such amounts provided to the borrower by the lender;

(II) the fact that interest will accrue on the loan for the period of forbearance;

(III) the amount of interest that will be capitalized, and the date on which capitalization will occur*, except that this subclause shall not apply with respect to any period of forbearance beginning on or after the date of enactment of the College Affordability Act*;

(IV) the option of the borrower to pay the interest that has accrued before the interest is capitalized *except that this subclause shall not apply with respect to any period of forbearance beginning on or after the date of enactment of the College Affordability Act*; and

(V) the borrower's option to discontinue the forbearance at any time; and

(D) shall contain provisions that specify that—

(i) forbearance for a period not to exceed 60 days may be granted if the lender reasonably determines that such a suspension of collection activity is warranted following a borrower's request for deferment, forbearance, a change in repayment plan, or a request to consolidate loans, in order to collect or process appropriate supporting documentation related to the request, and

(ii) during such period interest shall accrue but not be capitalized.

Guaranty agencies shall not be precluded from permitting the parties to such a loan from entering into a forbearance agreement solely because the loan is in default. The Secretary shall

permit lenders to exercise administrative forbearances that do not require the agreement of the borrower, under conditions authorized by the Secretary. Such forbearances shall include (i) forbearances for borrowers who are delinquent at the time of the granting of an authorized period of deferment under section 428(b)(1)(M) or 427(a)(2)(C), and (ii) if the borrower is less than 60 days delinquent on such loans at the time of sale or transfer, forbearances for borrowers on loans which are sold or transferred.

(4) DEFINITIONS.—For the purpose of this subsection, the terms "insurance beneficiary" and "default" have the meanings assigned to them by section 435.

(5) APPLICABILITY TO EXISTING LOANS.—In the case of any guaranty agreement with a guaranty agency, the Secretary may, in accordance with the terms of this subsection, undertake to guarantee loans described in paragraph (1) which are insured by such guaranty agency and are outstanding on the date of execution of the guaranty agreement, but only with respect to defaults occurring after the execution of such guaranty agreement or, if later, after its effective date.

(6) SECRETARY'S EQUITABLE SHARE.—(A) For the purpose of paragraph (2)(D), the Secretary's equitable share of payments made by the borrower shall be that portion of the payments remaining after the guaranty agency with which the Secretary has an agreement under this subsection has deducted from such payments—

(i) a percentage amount equal to the complement of the reinsurance percentage in effect when payment under the guaranty agreement was made with respect to the loan; and

(ii) an amount equal to 24 percent of such payments for use in accordance with section 422B, except that—

(I) beginning October 1, 2003 and ending September 30, 2007, this clause shall be applied by substituting "23 percent" for "24 percent"; and

(II) beginning October 1, 2007, this clause shall be applied by substituting "16 percent" for "24 percent".

(B) A guaranty agency shall—

(i) on or after October 1, 2006—

(I) not charge the borrower collection costs in an amount in excess of 18.5 percent of the outstanding principal and interest of a defaulted loan that is paid off through consolidation by the borrower under this title; and

(II) remit to the Secretary a portion of the collection charge under subclause (I) equal to 8.5 percent of the outstanding principal and interest of such defaulted loan; and

(ii) on and after October 1, 2009, remit to the Secretary the entire amount charged under clause (i)(I) with respect to each defaulted loan that is paid off with excess consolidation proceeds.

(C) For purposes of subparagraph (B), the term "excess consolidation proceeds" means, with respect to any guaranty agen-

cy for any Federal fiscal year beginning on or after October 1, 2009, the proceeds of consolidation of defaulted loans under this title that exceed 45 percent of the agency's total collections on defaulted loans in such Federal fiscal year.

(7) NEW PROGRAMS ELIGIBLE FOR 100 PERCENT REINSURANCE.—(A) Notwithstanding paragraph (1)(C), the amount to be paid a guaranty agency for any fiscal year—

(i) which begins on or after October 1, 1977 and ends before October 1, 1991; and

(ii) which is either the fiscal year in which such guaranty agency begins to actively carry on a student loan insurance program which is subject to a guaranty agreement under subsection (b) of this section, or is one of the 4 succeeding fiscal years,

shall be 100 percent of the amount expended by such guaranty agency in discharge of its insurance obligation insured under such program.

(B) Notwithstanding the provisions of paragraph (1)(C), the Secretary may pay a guaranty agency 100 percent of the amount expended by such agency in discharge of such agency's insurance obligation for any fiscal year which—

(i) begins on or after October 1, 1991; and

(ii) is the fiscal year in which such guaranty agency begins to actively carry on a student loan insurance program which is subject to a guaranty agreement under subsection (b) or is one of the 4 succeeding fiscal years.

(C) The Secretary shall continuously monitor the operations of those guaranty agencies to which the provisions of subparagraph (A) or (B) are applicable and revoke the application of such subparagraph to any such guaranty agency which the Secretary determines has not exercised reasonable prudence in the administration of such program.

(8) ASSIGNMENT TO PROTECT FEDERAL FISCAL INTEREST.—If the Secretary determines that the protection of the Federal fiscal interest so requires, a guaranty agency shall assign to the Secretary any loan of which it is the holder and for which the Secretary has made a payment pursuant to paragraph (1) of this subsection.

(9) GUARANTY AGENCY RESERVE LEVEL.—(A) Each guaranty agency which has entered into an agreement with the Secretary pursuant to this subsection shall maintain in the agency's Federal Student Loan Reserve Fund established under section 422A a current minimum reserve level of at least 0.25 percent of the total attributable amount of all outstanding loans guaranteed by such agency. For purposes of this paragraph, such total attributable amount does not include amounts of outstanding loans transferred to the guaranty agency from another guaranty agency pursuant to a plan of the Secretary in response to the insolvency of the latter such guaranty agency.

(B) The Secretary shall collect, on an annual basis, information from each guaranty agency having an agreement under this subsection to enable the Secretary to evaluate the financial solvency of each such agency. The information collected shall include the level of such agency's current reserves, cash disbursements and accounts receivable.

(C) If (i) any guaranty agency falls below the required minimum reserve level in any 2 consecutive years, (ii) any guaranty agency's Federal reimbursement payments are reduced to 85 percent pursuant to paragraph (1)(B)(i), or (iii) the Secretary determines that the administrative or financial condition of a guaranty agency jeopardizes such agency's continued ability to perform its responsibilities under its guaranty agreement, then the Secretary shall require the guaranty agency to submit and implement a management plan acceptable to the Secretary within 45 working days of any such event.

(D)(i) If the Secretary is not seeking to terminate the guaranty agency's agreement under subparagraph (E), or assuming the guaranty agency's functions under subparagraph (F), a management plan described in subparagraph (C) shall include the means by which the guaranty agency will improve its financial and administrative condition to the required level within 18 months.

(ii) If the Secretary is seeking to terminate the guaranty agency's agreement under subparagraph (E), or assuming the guaranty agency's functions under subparagraph (F), a management plan described in subparagraph (C) shall include the means by which the Secretary and the guaranty agency shall work together to ensure the orderly termination of the operations, and liquidation of the assets, of the guaranty agency.

(E) The Secretary may terminate a guaranty agency's agreement in accordance with subparagraph (F) if—

(i) a guaranty agency required to submit a management plan under this paragraph fails to submit a plan that is acceptable to the Secretary;

(ii) the Secretary determines that a guaranty agency has failed to improve substantially its administrative and financial condition;

(iii) the Secretary determines that the guaranty agency is in danger of financial collapse;

(iv) the Secretary determines that such action is necessary to protect the Federal fiscal interest; or

(v) the Secretary determines that such action is necessary to ensure the continued availability of loans to student or parent borrowers.

(F) If a guaranty agency's agreement under this subsection is terminated pursuant to subparagraph (E), then the Secretary shall assume responsibility for all functions of the guaranty agency under the loan insurance program of such agency. In performing such functions the Secretary is authorized to—

(i) permit the transfer of guarantees to another guaranty agency;

(ii) revoke the reinsurance agreement of the guaranty agency at a specified date, so as to require the merger, consolidation, or termination of the guaranty agency;

(iii) transfer guarantees to the Department of Education for the purpose of payment of such claims and process such claims using the claims standards of the guaranty agency, if such standards are determined by the Secretary to be in compliance with this Act;

(iv) design and implement a plan to restore the guaranty agency's viability;

(v) provide the guaranty agency with additional advance funds in accordance with section 422(c)(7), with such restrictions on the use of such funds as is determined appropriate by the Secretary, in order to—

(I) meet the immediate cash needs of the guaranty agency;

(II) ensure the uninterrupted payment of claims; or

(III) ensure that the guaranty agency will make loans as the lender-of-last-resort, in accordance with subsection (j);

(vi) use all funds and assets of the guaranty agency to assist in the activities undertaken in accordance with this subparagraph and take appropriate action to require the return, to the guaranty agency or the Secretary, of any funds or assets provided by the guaranty agency, under contract or otherwise, to any person or organization; or

(vii) take any other action the Secretary determines necessary to ensure the continued availability of loans made under this part to residents of the State or States in which the guaranty agency did business, the full honoring of all guarantees issued by the guaranty agency prior to the Secretary's assumption of the functions of such agency, and the proper servicing of loans guaranteed by the guaranty agency prior to the Secretary's assumption of the functions of such agency, and to avoid disruption of the student loan program.

(G) Notwithstanding any other provision of Federal or State law, if the Secretary has terminated or is seeking to terminate a guaranty agency's agreement under subparagraph (E), or has assumed a guaranty agency's functions under subparagraph (F)—

(i) no State court may issue any order affecting the Secretary's actions with respect to such guaranty agency;

(ii) any contract with respect to the administration of a guaranty agency's reserve funds, or the administration of any assets purchased or acquired with the reserve funds of the guaranty agency, that is entered into or extended by the guaranty agency, or any other party on behalf of or with the concurrence of the guaranty agency, after the date of enactment of this subparagraph shall provide that the contract is terminable by the Secretary upon 30 days notice to the contracting parties if the Secretary determines that such contract includes an impermissible transfer of the reserve funds or assets, or is otherwise inconsistent with the terms or purposes of this section; and

(iii) no provision of State law shall apply to the actions of the Secretary in terminating the operations of a guaranty agency.

(H) Notwithstanding any other provision of law, the Secretary's liability for any outstanding liabilities of a guaranty agency (other than outstanding student loan guarantees under this part), the functions of which the Secretary has assumed, shall not exceed the fair market value of the reserves of the

guaranty agency, minus any necessary liquidation or other administrative costs.

(I) The Secretary shall not take any action under subparagraph (E) or (F) without giving the guaranty agency notice and the opportunity for a hearing that, if commenced after September 24, 1998, shall be on the record.

(J) Notwithstanding any other provision of law, the information transmitted to the Secretary pursuant to this paragraph shall be confidential and exempt from disclosure under section 552 of title 5, United States Code, relating to freedom of information, or any other Federal law.

(K) The Secretary, within 6 months after the end of each fiscal year, shall submit to the authorizing committees a report specifying the Secretary's assessment of the fiscal soundness of the guaranty agency system.

(10) DOCUMENTATION OF FORBEARANCE AGREEMENTS.—For the purposes of paragraph (3), the terms of forbearance agreed to by the parties shall be documented by confirming the agreement of the borrower by notice to the borrower from the lender, and by recording the terms in the borrower's file.

(d) USURY LAWS INAPPLICABLE.—No provision of any law of the United States (other than this Act and section 207 of the Servicemembers Civil Relief Act (50 U.S.C. App. 527)) or of any State (other than a statute applicable principally to such State's student loan insurance program) which limits the rate or amount of interest payable on loans shall apply to a loan—

(1) which bears interest (exclusive of any premium for insurance) on the unpaid principal balance at a rate not in excess of the rate specified in this part; and

(2) which is insured (i) by the United States under this part, or (ii) by a guaranty agency under a program covered by an agreement made pursuant to subsection (b) of this section.

(f) PAYMENTS OF CERTAIN COSTS.—

(1) PAYMENT FOR CERTAIN ACTIVITIES.—

(A) IN GENERAL.—The Secretary—

(i) for loans originated during fiscal years beginning on or after October 1, 1998, and before October 1, 2003, and in accordance with the provisions of this paragraph, shall, except as provided in subparagraph (C), pay to each guaranty agency, a loan processing and issuance fee equal to 0.65 percent of the total principal amount of the loans on which insurance was issued under this part during such fiscal year by such agency; and

(ii) for loans originated on or after October 1, 2003, and first disbursed before July 1, 2010, and in accordance with the provisions of this paragraph, shall, except as provided in subparagraph (C), pay to each guaranty agency, a loan processing and issuance fee equal to 0.40 percent of the total principal amount of the loans on which insurance was issued under this part during such fiscal year by such agency.

(B) PAYMENT.—The payment required by subparagraph (A) shall be paid on a quarterly basis. The guaranty agency shall be deemed to have a contractual right against the

United States to receive payments according to the provisions of this paragraph. Payments shall be made promptly and without administrative delay to any guaranty agency submitting an accurate and complete application under this subparagraph.

(C) REQUIREMENT FOR PAYMENT.—No payment may be made under this paragraph for loans for which the disbursement checks have not been cashed or for which electronic funds transfers have not been completed.

(g) ACTION ON INSURANCE PROGRAM AND GUARANTY AGREEMENTS.—If a nonprofit private institution or organization—

(1) applies to enter into an agreement with the Secretary under subsections (b) and (c) with respect to a student loan insurance program to be carried on in a State with which the Secretary does not have an agreement under subsection (b), and

(2) as provided in the application, undertakes to meet the requirements of section 422(c)(6)(B) (i), (ii), and (iii),

the Secretary shall consider and act upon such application within 180 days, and shall forthwith notify the authorizing committees of his actions.

(i) MULTIPLE DISBURSEMENT OF LOANS.—

(1) ESCROW ACCOUNTS ADMINISTERED BY ESCROW AGENT.—Any guaranty agency or eligible lender (hereafter in this subsection referred to as the "escrow agent") may enter into an agreement with any other eligible lender that is not an eligible institution or an agency or instrumentality of the State (hereafter in this subsection referred to as the "lender") for the purpose of authorizing disbursements of the proceeds of a loan to a student. Such agreement shall provide that the lender will pay the proceeds of such loans into an escrow account to be administered by the escrow agent in accordance with the provisions of paragraph (2) of this subsection. Such agreement may allow the lender to make payments into the escrow account in amounts that do not exceed the sum of the amounts required for disbursement of initial or subsequent installments to borrowers and to make such payments not more than 10 days prior to the date of the disbursement of such installment to such borrowers. Such agreement shall require the lender to notify promptly the eligible institution when funds are escrowed under this subsection for a student at such institution.

(2) AUTHORITY OF ESCROW AGENT.—Each escrow agent entering into an agreement under paragraph (1) of this subsection is authorized to—

(A) make the disbursements in accordance with the note evidencing the loan;

(B) commingle the proceeds of all loans paid to the escrow agent pursuant to the escrow agreement entered into under such paragraph (1);

(C) invest the proceeds of such loans in obligations of the Federal Government or obligations which are insured or guaranteed by the Federal Government;

(D) retain interest or other earnings on such investment; and

(E) return to the lender undisbursed funds when the student ceases to carry at an eligible institution at least one-half of the normal full-time academic workload as determined by the institution.

(j) LENDERS-OF-LAST-RESORT.—

(1) GENERAL REQUIREMENT.—In each State, the guaranty agency or an eligible lender in the State described in section 435(d)(1)(D) of this Act shall, before July 1, 2010, make loans directly, or through an agreement with an eligible lender or lenders, to eligible students and parents who are otherwise unable to obtain loans under this part (except for consolidation loans under section 428C) or who attend an institution of higher education in the State that is designated under paragraph (4). Loans made under this subsection shall not exceed the amount of the need of the borrower, as determined under subsection (a)(2)(B), nor be less than $200. No loan under section 428, 428B, or 428H that is made pursuant to this subsection shall be made with interest rates, origination or default fees, or other terms and conditions that are more favorable to the borrower than the maximum interest rates, origination or default fees, or other terms and conditions applicable to that type of loan under this part. The guaranty agency shall consider the request of any eligible lender, as defined under section 435(d)(1)(A) of this Act, to serve as the lender-of-last-resort pursuant to this subsection.

(2) RULES AND OPERATING PROCEDURES.—The guaranty agency shall develop rules and operating procedures for the lender-of-last-resort program designed to ensure that—

(A) the program establishes operating hours and methods of application designed to facilitate application by students and ensure a response within 60 days after the student's original complete application is filed under this subsection;

(B) consistent with standards established by the Secretary, students applying for loans under this subsection shall not be subject to additional eligibility requirements or requests for additional information beyond what is required under this title in order to receive a loan under this part from an eligible lender, nor, in the case of students and parents applying for loans under this subsection because of an inability to otherwise obtain loans under this part (except for consolidation loans under section 428C), be required to receive more than two rejections from eligible lenders in order to obtain a loan under this subsection;

(C) information about the availability of loans under the program is made available to institutions of higher education in the State; and

(D) appropriate steps are taken to ensure that borrowers receiving loans under the program are appropriately counseled on their loan obligation.

(3) ADVANCES TO GUARANTY AGENCIES FOR LENDER-OF-LAST-RESORT SERVICES.—(A) In order to ensure the availability of loan capital, the Secretary is authorized to provide a guaranty agency designated for a State with additional advance funds in accordance with subparagraph (C) and section 422(c)(7), with

such restrictions on the use of such funds as are determined appropriate by the Secretary, in order to ensure that the guaranty agency will make loans as the lender-of-last-resort. Such agency shall make such loans in accordance with this subsection and the requirements of the Secretary.

(B) Notwithstanding any other provision in this part, a guaranty agency serving as a lender-of-last-resort under this paragraph shall be paid a fee, established by the Secretary, for making such loans in lieu of interest and special allowance subsidies, and shall be required to assign such loans to the Secretary on demand. Upon such assignment, the portion of the advance represented by the loans assigned shall be considered repaid by such guaranty agency.

(C) The Secretary shall exercise the authority described in subparagraph (A) only if the Secretary determines that eligible borrowers are seeking and are unable to obtain loans under this part or designates an institution of higher education for participation in the program under this subsection under paragraph (4), and that the guaranty agency designated for that State has the capability to provide lender-of-last-resort loans in a timely manner, in accordance with the guaranty agency's obligations under paragraph (1), but cannot do so without advances provided by the Secretary under this paragraph. If the Secretary makes the determinations described in the preceding sentence and determines that it would be cost-effective to do so, the Secretary may provide advances under this paragraph to such guaranty agency. If the Secretary determines that such guaranty agency does not have such capability, or will not provide such loans in a timely fashion, the Secretary may provide such advances to enable another guaranty agency, that the Secretary determines to have such capability, to make lender-of-last-resort loans to eligible borrowers in that State who are experiencing loan access problems or to eligible borrowers who attend an institution in the State that is designated under paragraph (4).

(4) INSTITUTION-WIDE STUDENT QUALIFICATION.—Upon the request of an institution of higher education and pursuant to standards developed by the Secretary, the Secretary shall designate such institution for participation in the lender-of-last-resort program under this paragraph. If the Secretary designates an institution under this paragraph, the guaranty agency designated for the State in which the institution is located shall make loans, in the same manner as such loans are made under paragraph (1), to students and parent borrowers of the designated institution, regardless of whether the students or parent borrowers are otherwise unable to obtain loans under this part (other than a consolidation loan under section 428C).

(5) STANDARDS DEVELOPED BY THE SECRETARY.—In developing standards with respect to paragraph (4), the Secretary may require—

(A) an institution of higher education to demonstrate that, despite due diligence on the part of the institution, the institution has been unable to secure the commitment of eligible lenders willing to make loans under this part to a significant number of students attending the institution;

(B) that, prior to making a request under such paragraph for designation for participation in the lender-of-last-resort program, an institution of higher education shall demonstrate that the institution has met a minimum threshold, as determined by the Secretary, for the number or percentage of students at such institution who have received rejections from eligible lenders for loans under this part; and

(C) any other standards and guidelines the Secretary determines to be appropriate.

(6) EXPIRATION OF AUTHORITY.—The Secretary's authority under paragraph (4) to designate institutions of higher education for participation in the program under this subsection shall expire on June 30, 2010.

(7) EXPIRATION OF DESIGNATION.—The eligibility of an institution of higher education, or borrowers from such institution, to participate in the program under this subsection pursuant to a designation of the institution by the Secretary under paragraph (4) shall expire on June 30, 2010. After such date, borrowers from an institution designated under paragraph (4) shall be eligible to participate in the program under this subsection as such program existed on the day before the date of enactment of the Ensuring Continued Access to Student Loans Act of 2008.

(8) PROHIBITION ON INDUCEMENTS AND MARKETING.—Each guaranty agency or eligible lender that serves as a lender-of-last-resort under this subsection—

(A) shall be subject to the prohibitions on inducements contained in subsection (b)(3) and the requirements of section 435(d)(5); and

(B) shall not advertise, market, or otherwise promote loans under this subsection, except that nothing in this paragraph shall prohibit a guaranty agency from fulfilling its responsibilities under paragraph (2)(C).

(9) DISSEMINATION AND REPORTING.—

(A) IN GENERAL.—The Secretary shall—

(i) broadly disseminate information regarding the availability of loans made under this subsection;

(ii) during the period beginning July 1, 2008 and ending June 30, 2011, provide to the authorizing committees and make available to the public—

(I) copies of any new or revised plans or agreements made by guaranty agencies or the Department related to the authorities under this subsection;

(II) quarterly reports on—

(aa) the number and amounts of loans originated or approved pursuant to this subsection by each guaranty agency and eligible lender; and

(bb) any related payments by the Department, a guaranty agency, or an eligible lender; and

(III) a budget estimate of the costs to the Federal Government (including subsidy and adminis-

trative costs) for each 100 dollars loaned, of loans made pursuant to this subsection between the date of enactment of the Ensuring Continued Access to Student Loans Act of 2008 and June 30, 2010, disaggregated by type of loan, compared to such costs to the Federal Government during such time period of comparable loans under this part and part D, disaggregated by part and by type of loan; and

(iii) beginning July 1, 2011, provide to the authorizing committees and make available to the public—

(I) copies of any new or revised plans or agreements made by guaranty agencies or the Department related to the authorities under this subsection; and

(II) annual reports on—

(aa) the number and amounts of loans originated or approved pursuant to this subsection by each guaranty agency and eligible lender; and

(bb) any related payments by the Department, a guaranty agency, or an eligible lender.

(B) SEPARATE REPORTING.—The information required to be reported under subparagraph (A)(ii)(II) shall be reported separately for loans originated or approved pursuant to paragraph (4), or payments related to such loans, for the time period in which the Secretary is authorized to make designations under paragraph (4).

(k) INFORMATION ON DEFAULTS.—

(1) PROVISION OF INFORMATION TO ELIGIBLE INSTITUTIONS.—Notwithstanding any other provision of law, in order to notify eligible institutions of former students who are in default of their continuing obligation to repay student loans, each guaranty agency shall, upon the request of an eligible institution, furnish information with respect to students who were enrolled at the eligible institution and who are in default on the repayment of any loan made, insured, or guaranteed under this part. The information authorized to be furnished under this subsection shall include the names and addresses of such students.

(2) PUBLIC DISSEMINATION NOT AUTHORIZED.—Nothing in paragraph (1) of this subsection shall be construed to authorize public dissemination of the information described in paragraph (1).

(3) BORROWER LOCATION INFORMATION.—Any information provided by the institution relating to borrower location shall be used by the guaranty agency in conducting required skip-tracing activities.

(4) PROVISION OF INFORMATION TO BORROWERS IN DEFAULT.—Each guaranty agency that has received a default claim from a lender regarding a borrower, shall provide the borrower in default, on not less than two separate occasions, with a notice, in simple and understandable terms, of not less than the following information:

(A) The options available to the borrower to remove the borrower's loan from default.

(B) The relevant fees and conditions associated with each option.

(l) DEFAULT AVERSION ASSISTANCE.—

(1) ASSISTANCE REQUIRED.—Upon receipt of a complete request from a lender received not earlier than the 60th day of delinquency, a guaranty agency having an agreement with the Secretary under subsection (c) shall engage in default aversion activities designed to prevent the default by a borrower on a loan covered by such agreement.

(2) REIMBURSEMENT.—

(A) IN GENERAL.—A guaranty agency, in accordance with the provisions of this paragraph, may transfer from the Federal Student Loan Reserve Fund under section 422A to the Agency Operating Fund under section 422B a default aversion fee. Such fee shall be paid for any loan on which a claim for default has not been paid as a result of the loan being brought into current repayment status by the guaranty agency on or before the 300th day after the loan becomes 60 days delinquent.

(B) AMOUNT.—The default aversion fee shall be equal to 1 percent of the total unpaid principal and accrued interest on the loan at the time the request is submitted by the lender. A guaranty agency may transfer such fees earned under this subsection not more frequently than monthly. Such a fee shall not be paid more than once on any loan for which the guaranty agency averts the default unless—

(i) at least 18 months has elapsed between the date the borrower entered current repayment status and the date the lender filed a subsequent default aversion assistance request; and

(ii) during the period between such dates, the borrower was not more than 30 days past due on any payment of principal and interest on the loan.

(C) DEFINITION.—For the purpose of earning the default aversion fee, the term "current repayment status" means that the borrower is not delinquent in the payment of any principal or interest on the loan.

(m) [INCOME CONTINGENT AND] INCOME-BASED REPAYMENT.—

[(1) AUTHORITY OF SECRETARY TO REQUIRE.—The Secretary may require borrowers who have defaulted on loans made under this part that are assigned to the Secretary under subsection (c)(8) to repay those loans under an income contingent repayment plan or income-based repayment plan, the terms and conditions of which shall be established by the Secretary and the same as, or similar to, an income contingent repayment plan established for purposes of part D of this title or an income-based repayment plan under section 493C, as the case may be.]

(1) AUTHORITY OF SECRETARY TO REQUIRE.—The Secretary may require borrowers who have defaulted on loans made under this part that are assigned to the Secretary under subsection (c)(8) to repay those loans under the income-based repayment plan under section 493C(f).

(2) LOANS FOR WHICH [INCOME CONTINGENT OR] INCOME-BASED REPAYMENT MAY BE REQUIRED.—A loan made under this part may be required to be repaid under this subsection if the note or other evidence of the loan has been assigned to the Secretary pursuant to subsection (c)(8).

(n) BLANKET CERTIFICATE OF LOAN GUARANTY.—

(1) IN GENERAL.—Subject to paragraph (3), any guaranty agency that has entered into or enters into any insurance program agreement with the Secretary under this part may—

(A) offer eligible lenders participating in the agency's guaranty program a blanket certificate of loan guaranty that permits the lender to make loans without receiving prior approval from the guaranty agency of individual loans for eligible borrowers enrolled in eligible programs at eligible institutions; and

(B) provide eligible lenders with the ability to transmit electronically data to the agency concerning loans the lender has elected to make under the agency's insurance program via standard reporting formats, with such reporting to occur at reasonable and standard intervals.

(2) LIMITATIONS ON BLANKET CERTIFICATE OF GUARANTY.—(A) An eligible lender may not make a loan to a borrower under this section after such lender receives a notification from the guaranty agency that the borrower is not an eligible borrower.

(B) A guaranty agency may establish limitations or restrictions on the number or volume of loans issued by a lender under the blanket certificate of guaranty.

(3) PARTICIPATION LEVEL.—During fiscal years 1999 and 2000, the Secretary may permit, on a pilot basis, a limited number of guaranty agencies to offer blanket certificates of guaranty under this subsection. Beginning in fiscal year 2001, any guaranty agency that has an insurance program agreement with the Secretary may offer blanket certificates of guaranty under this subsection.

(4) REPORT REQUIRED.—The Secretary shall, at the conclusion of the pilot program under paragraph (3), provide a report to the authorizing committees on the impact of the blanket certificates of guaranty on program efficiency and integrity.

(o) ARMED FORCES STUDENT LOAN INTEREST PAYMENT PROGRAM.—

(1) AUTHORITY.—Using funds received by transfer to the Secretary under section 2174 of title 10, United States Code, for the payment of interest and any special allowance on a loan to a member of the Armed Forces that is made, insured, or guaranteed under this part, the Secretary shall pay the interest and special allowance on such loan as due for a period not in excess of 36 consecutive months. The Secretary may not pay interest or any special allowance on such a loan out of any funds other than funds that have been so transferred.

(2) FORBEARANCE.—During the period in which the Secretary is making payments on a loan under paragraph (1), the lender shall grant the borrower forbearance in accordance with the guaranty agreement under subsection (c)(3)(A)(i)(IV).

(3) SPECIAL ALLOWANCE DEFINED.—For the purposes of this subsection, the term "special allowance", means a special al-

lowance that is payable with respect to a loan under section 438.

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SEC. 428B. FEDERAL PLUS LOANS.

(a) AUTHORITY TO BORROW.—

(1) AUTHORITY AND ELIGIBILITY.—Prior to July 1, 2010, a graduate or professional student or the parents of a dependent student shall be eligible to borrow funds under this section in amounts specified in subsection (b), if—

(A) the graduate or professional student or the parents do not have an adverse credit history as determined pursuant to regulations promulgated by the Secretary;

(B) in the case of a graduate or professional student or parent who has been convicted of, or has pled nolo contendere or guilty to, a crime involving fraud in obtaining funds under this title, such graduate or professional student or parent has completed the repayment of such funds to the Secretary, or to the holder in the case of a loan under this title obtained by fraud; and

(C) the graduate or professional student or the parents meet such other eligibility criteria as the Secretary may establish by regulation, after consultation with guaranty agencies, eligible lenders, and other organizations involved in student financial assistance.

(2) TERMS, CONDITIONS, AND BENEFITS.—Except as provided in subsections (c), (d), and (e), loans made under this section shall have the same terms, conditions, and benefits as all other loans made under this part.

(3) SPECIAL RULES.—

(A) PARENT BORROWERS.—Whenever necessary to carry out the provisions of this section, the terms "student" and "borrower" as used in this part shall include a parent borrower under this section.

(B)(i) EXTENUATING CIRCUMSTANCES.—An eligible lender may determine that extenuating circumstances exist under the regulations promulgated pursuant to paragraph (1)(A) if, during the period beginning January 1, 2007, and ending December 31, 2009, an applicant for a loan under this section—

(I) is or has been delinquent for 180 days or fewer on mortgage loan payments or on medical bill payments during such period; and

(II) does not otherwise have an adverse credit history, as determined by the lender in accordance with the regulations promulgated pursuant to paragraph (1)(A), as such regulations were in effect on the day before the date of enactment of the Ensuring Continued Access to Student Loans Act of 2008.

(ii) DEFINITION OF MORTGAGE LOAN.—In this subparagraph, the term "mortgage loan" means an extension of credit to a borrower that is secured by the primary residence of the borrower.

(iii) RULE OF CONSTRUCTION.—Nothing in this subparagraph shall be construed to limit an eligible lender's au-

thority under the regulations promulgated pursuant to paragraph (1)(A) to determine that extenuating circumstances exist.

(b) LIMITATION BASED ON NEED.—Any loan under this section may be counted as part of the expected family contribution in the determination of need under this title, but no loan may be made to any graduate or professional student or any parent under this section for any academic year in excess of (A) the student's estimated cost of attendance, minus (B) other financial aid as certified by the eligible institution under section 428(a)(2)(A). The annual insurable limit on account of any student shall not be deemed to be exceeded by a line of credit under which actual payments to the borrower will not be made in any year in excess of the annual limit.

(c) PLUS LOAN DISBURSEMENT.—All loans made under this section shall be disbursed in accordance with the requirements of section 428G and shall be disbursed by—

(1) an electronic transfer of funds from the lender to the eligible institution; or

(2) a check copayable to the eligible institution and the graduate or professional student or parent borrower.

(d) PAYMENT OF PRINCIPAL AND INTEREST.—

(1) COMMENCEMENT OF REPAYMENT.—Repayment of principal on loans made under this section shall commence not later than 60 days after the date such loan is disbursed by the lender, subject to deferral—

(A)(i) during any period during which the parent borrower or the graduate or professional student borrower meets the conditions required for a deferral under section 427(a)(2)(C) or 428(b)(1)(M); and

(ii) upon the request of the parent borrower, during any period during which the student on whose behalf the loan was borrowed by the parent borrower meets the conditions required for a deferral under section 427(a)(2)(C)(i)(I) or 428(b)(1)(M)(i)(I); and

(B)(i) in the case of a parent borrower, upon the request of the parent borrower, during the 6-month period beginning on the later of—

(I) the day after the date the student on whose behalf the loan was borrowed ceases to carry at least one-half the normal full-time academic workload (as determined by the institution); or

(II) if the parent borrower is also a student, the day after the date such parent borrower ceases to carry at least one-half such a workload; and

(ii) in the case of a graduate or professional student borrower, during the 6-month period beginning on the day after the date such student ceases to carry at least one-half the normal full-time academic workload (as determined by the institution).

(2) CAPITALIZATION OF INTEREST.—

(A) IN GENERAL.—[Interest on] *Subject to subparagraph (C), interest on* loans made under this section for which payments of principal are deferred pursuant to paragraph (1) shall, if agreed upon by the borrower and the lender—

(i) be paid monthly or quarterly; or

(ii) be added to the principal amount of the loan not more frequently than quarterly by the lender.

(B) INSURABLE LIMITS.—Capitalization of interest under this paragraph shall not be deemed to exceed the annual insurable limit on account of the borrower.

(C) INTEREST CAPITALIZATION.—Interest shall not be added to the principal amount of a loan made under this section at the expiration of any period that begins on or after the date of enactment of the College Affordability Act, of—

(i) deferment described in clause (i)(II), (ii), (iii), or (iv) of section 427(a)(2)(C) or clause (i)(II), (ii), (iii), (iv), or (v) of section 428(b)(1)(M); or

(ii) forbearance.

(3) SUBSIDIES PROHIBITED.—No payments to reduce interest costs shall be paid pursuant to section 428(a) of this part on loans made pursuant to this section.

(4) APPLICABLE RATES OF INTEREST.—Interest on loans made pursuant to this section shall be at the applicable rate of interest provided in section 427A for loans made under this section.

(5) AMORTIZATION.—The amount of the periodic payment and the repayment schedule for any loan made pursuant to this section shall be established by assuming an interest rate equal to the applicable rate of interest at the time the repayment of the principal amount of the loan commences. At the option of the lender, the note or other written evidence of the loan may require that—

(A) the amount of the periodic payment will be adjusted annually, or

(B) the period of repayment of principal will be lengthened or shortened,

in order to reflect adjustments in interest rates occurring as a consequence of section 427A(c)(4).

(e) REFINANCING.—

(1) REFINANCING TO SECURE COMBINED PAYMENT.—An eligible lender may at any time consolidate loans held by it which are made under this section to a borrower, including loans which were made under section 428B as in effect prior to the enactment of the Higher Education Amendments of 1986, under a single repayment schedule which provides for a single principal payment and a single payment of interest, and shall calculate the repayment period for each included loan from the date of the commencement of repayment of the most recent included loan. Unless the consolidated loan is obtained by a borrower who is electing to obtain variable interest under paragraph (2) or (3), such consolidated loan shall bear interest at the weighted average of the rates of all included loans. The extension of any repayment period of an included loan pursuant to this paragraph shall be reported (if required by them) to the Secretary or guaranty agency insuring the loan, as the case may be, but no additional insurance premiums shall be payable with respect to any such extension. The extension of the repayment period of any included loan shall not require the formal extension of the promissory note evidencing the in-

cluded loan or the execution of a new promissory note, but shall be treated as an administrative forbearance of the repayment terms of the included loan.

(2) REFINANCING TO SECURE VARIABLE INTEREST RATE.—An eligible lender may reissue a loan which was made under this section before July 1, 1987, or under section 428B as in effect prior to the enactment of the Higher Education Amendments of 1986 in order to permit the borrower to obtain the interest rate provided under section 427A(c)(4). A lender offering to reissue a loan or loans for such purpose may charge a borrower an amount not to exceed $100 to cover the administrative costs of reissuing such loan or loans, not more than one-half of which shall be paid to the guarantor of the loan being reissued to cover costs of reissuance. Reissuance of a loan under this paragraph shall not affect any insurance applicable with respect to the loan, and no additional insurance fee may be charged to the borrower with respect to the loan.

(3) REFINANCING BY DISCHARGE OF PREVIOUS LOAN.—A borrower who has applied to an original lender for reissuance of a loan under paragraph (2) and who is denied such reissuance may obtain a loan from another lender for the purpose of discharging the loan from such original lender. A loan made for such purpose—

(A) shall bear interest at the applicable rate of interest provided under section 427A(c)(4);

(B) shall not result in the extension of the duration of the note (other than as permitted under subsection (d)(5)(B));

(C) may be subject to an additional insurance fee but shall not be subject to the administrative cost charge permitted by paragraph (2) of this subsection; and

(D) shall be applied to discharge the borrower from any remaining obligation to the original lender with respect to the original loan.

(4) CERTIFICATION IN LIEU OF PROMISSORY NOTE PRESENTATION.—Each new lender may accept certification from the original lender of the borrower's original loan in lieu of presentation of the original promissory note.

(f) VERIFICATION OF IMMIGRATION STATUS AND SOCIAL SECURITY NUMBER.—A parent who wishes to borrow funds under this section shall be subject to verification of the parent's—

(1) immigration status in the same manner as immigration status is verified for students under section 484(g); and

(2) social security number in the same manner as social security numbers are verified for students under section 484(p).

SEC. 428C. FEDERAL CONSOLIDATION LOANS.

(a) AGREEMENTS WITH ELIGIBLE LENDERS.—

(1) AGREEMENT REQUIRED FOR INSURANCE COVERAGE.—For the purpose of providing loans to eligible borrowers for consolidation of their obligations with respect to eligible student loans, the Secretary or a guaranty agency shall enter into agreements in accordance with subsection (b) with the following eligible lenders:

(A) the Student Loan Marketing Association or the Holding Company of the Student Loan Marketing Association,

including any subsidiary of the Holding Company, created pursuant to section 440;

(B) State agencies described in subparagraphs (D) and (F) of section 435(d)(1); and

(C) other eligible lenders described in subparagraphs (A), (B), (C), (E), and (J) of such section.

(2) INSURANCE COVERAGE OF CONSOLIDATION LOANS.—Except as provided in section 429(e), no contract of insurance under this part shall apply to a consolidation loan unless such loan is made under an agreement pursuant to this section and is covered by a certificate issued in accordance with subsection (b)(2). Loans covered by such a certificate that is issued by a guaranty agency shall be considered to be insured loans for the purposes of reimbursements under section 428(c), but no payment shall be made with respect to such loans under section 428(f) to any such agency.

(3) DEFINITION OF ELIGIBLE BORROWER.—(A) For the purpose of this section, the term "eligible borrower" means a borrower who—

(i) is not subject to a judgment secured through litigation with respect to a loan under this title or to an order for wage garnishment under section 488A; and

(ii) at the time of application for a consolidation loan—

(I) is in repayment status as determined under section 428(b)(7)(A);

(II) is in a grace period preceding repayment; or

(III) is a defaulted borrower who has made arrangements to repay the obligation on the defaulted loans satisfactory to the holders of the defaulted loans.

(B)(i) An individual's status as an eligible borrower under this section or under section 455(g) terminates under both sections upon receipt of a consolidation loan under this section or under section 455(g), except that—

(I) an individual who receives eligible student loans after the date of receipt of the consolidation loan may receive a subsequent consolidation loan;

(II) loans received prior to the date of the consolidation loan may be added during the 180-day period following the making of the consolidation loan;

(III) loans received following the making of the consolidation loan may be added during the 180-day period following the making of the consolidation loan;

(IV) loans received prior to the date of the first consolidation loan may be added to a subsequent consolidation loan; and

(V) an individual may obtain a subsequent consolidation loan under section 455(g) only—

(aa) for the purposes of obtaining income contingent repayment or income-based repayment, and only if the loan has been submitted to the guaranty agency for default aversion or if the loan is already in default;

(bb) for the purposes of using the public service loan forgiveness program under section 455(m); [or]

(cc) for the purpose of using the no accrual of interest for active duty service members benefit offered under section 455(o)[.]*;*

(dd) for the purpose of separating a joint consolidation loan into 2 separate Federal Direct Consolidation Loans under section 455(g)(2); or

(ee) for the purpose of section 455(m)(9)(A)(ii), 493C(f)(2)(G), or 493E(c).

(4) DEFINITION OF ELIGIBLE STUDENT LOANS.—For the purpose of paragraph (1), the term "eligible student loans" means loans—

(A) made, insured, or guaranteed under this part, and first disbursed before July 1, 2010, including loans on which the borrower has defaulted (but has made arrangements to repay the obligation on the defaulted loans satisfactory to the Secretary or guaranty agency, whichever insured the loans);

(B) made under part E of this title;

(C) made under part D of this title;

(D) made under subpart II of part A of title VII of the Public Health Service Act; or

(E) made under part E of title VIII of the Public Health Service Act.

(b) CONTENTS OF AGREEMENTS, CERTIFICATES OF INSURANCE, AND LOAN NOTES.—

(1) AGREEMENTS WITH LENDERS.—Any lender described in subparagraph (A), (B), or (C) of subsection (a)(1) who wishes to make consolidation loans under this section shall enter into an agreement with the Secretary or a guaranty agency which provides—

(A) that, in the case of all lenders described in subsection (a)(1), the lender will make a consolidation loan to an eligible borrower (on request of that borrower) only if the borrower certifies that the borrower has no other application pending for a loan under this section;

(B) that each consolidation loan made by the lender will bear interest, and be subject to repayment, in accordance with subsection (c);

(C) that each consolidation loan will be made, notwithstanding any other provision of this part limiting the annual or aggregate principal amount for all insured loans made to a borrower, in an amount (i) which is not less than the minimum amount required for eligibility of the borrower under subsection (a)(3), and (ii) which is equal to the sum of the unpaid principal and accrued unpaid interest and late charges of all eligible student loans received by the eligible borrower which are selected by the borrower for consolidation;

(D) that the proceeds of each consolidation loan will be paid by the lender to the holder or holders of the loans so selected to discharge the liability on such loans;

(E) that the lender shall offer an income-sensitive repayment schedule, established by the lender in accordance with the regulations promulgated by the Secretary, to the borrower of any consolidation loan made by the lender on or after July 1, 1994, and before July 1, 2010;

(F) that the lender shall disclose to a prospective borrower, in simple and understandable terms, at the time the lender provides an application for a consolidation loan—

(i) whether consolidation would result in a loss of loan benefits under this part or part D, including loan forgiveness, cancellation, and deferment;

(ii) with respect to Federal Perkins Loans under part E—

(I) that if a borrower includes a Federal Perkins Loan under part E in the consolidation loan, the borrower will lose all interest-free periods that would have been available for the Federal Perkins Loan, such as—

(aa) the periods during which no interest accrues on such loan while the borrower is enrolled in school at least half-time;

(bb) the grace period under section 464(c)(1)(A); and

(cc) the periods during which the borrower's student loan repayments are deferred under section 464(c)(2);

(II) that if a borrower includes a Federal Perkins Loan in the consolidation loan, the borrower will no longer be eligible for cancellation of part or all of the Federal Perkins Loan under section 465(a); and

(III) the occupations listed in section 465 that qualify for Federal Perkins Loan cancellation under section 465(a);

(iii) the repayment plans that are available to the borrower;

(iv) the options of the borrower to prepay the consolidation loan, to pay such loan on a shorter schedule, and to change repayment plans;

(v) that borrower benefit programs for a consolidation loan may vary among different lenders;

(vi) the consequences of default on the consolidation loan; and

(vii) that by applying for a consolidation loan, the borrower is not obligated to agree to take the consolidation loan; and

(G) such other terms and conditions as the Secretary or the guaranty agency may specifically require of the lender to carry out this section.

(2) ISSUANCE OF CERTIFICATE OF COMPREHENSIVE INSURANCE COVERAGE.—The Secretary shall issue a certificate of comprehensive insurance coverage under section 429(b) to a lender which has entered into an agreement with the Secretary under paragraph (1) of this subsection. The guaranty agency may

issue a certificate of comprehensive insurance coverage to a lender with which it has an agreement under such paragraph. The Secretary shall not issue a certificate to a lender described in subparagraph (B) or (C) of subsection (a)(1) unless the Secretary determines that such lender has first applied to, and has been denied a certificate of insurance by, the guaranty agency which insures the preponderance of its loans (by value).

(3) CONTENTS OF CERTIFICATE.—A certificate issued under paragraph (2) shall, at a minimum, provide—

(A) that all consolidation loans made by such lender in conformity with the requirements of this section will be insured by the Secretary or the guaranty agency (whichever is applicable) against loss of principal and interest;

(B) that a consolidation loan will not be insured unless the lender has determined to its satisfaction, in accordance with reasonable and prudent business practices, for each loan being consolidated—

(i) that the loan is a legal, valid, and binding obligation of the borrower;

(ii) that each such loan was made and serviced in compliance with applicable laws and regulations; and

(iii) in the case of loans under this part, that the insurance on such loan is in full force and effect;

(C) the effective date and expiration date of the certificate;

(D) the aggregate amount to which the certificate applies;

(E) the reporting requirements of the Secretary on the lender and an identification of the office of the Department of Education or of the guaranty agency which will process claims and perform other related administrative functions;

(F) the alternative repayment terms which will be offered to borrowers by the lender;

(G) that, if the lender prior to the expiration of the certificate no longer proposes to make consolidation loans, the lender will so notify the issuer of the certificate in order that the certificate may be terminated (without affecting the insurance on any consolidation loan made prior to such termination); and

(H) the terms upon which the issuer of the certificate may limit, suspend, or terminate the lender's authority to make consolidation loans under the certificate (without affecting the insurance on any consolidation loan made prior to such limitation, suspension, or termination).

(4) TERMS AND CONDITIONS OF LOANS.—A consolidation loan made pursuant to this section shall be insurable by the Secretary or a guaranty agency pursuant to paragraph (2) only if the loan is made to an eligible borrower who has agreed to notify the holder of the loan promptly concerning any change of address and the loan is evidenced by a note or other written agreement which—

(A) is made without security and without endorsement, except that if the borrower is a minor and such note or other written agreement executed by him or her would not,

under applicable law, create a binding obligation, endorsement may be required;

(B) provides for the payment of interest and the repayment of principal in accordance with subsection (c) of this section;

(C)(i) provides that periodic installments of principal need not be paid, but interest shall accrue and be paid in accordance with clause (ii), during any period for which the borrower would be eligible for a deferral under section 428(b)(1)(M), and that any such period shall not be included in determining the repayment schedule pursuant to subsection (c)(2) of this section; and

(ii) provides that interest shall accrue and be paid during any such period—

(I) by the Secretary, in the case of a consolidation loan for which the application is received by an eligible lender before the date of enactment of the Emergency Student Loan Consolidation Act of 1997 that consolidated only Federal Stafford Loans for which the student borrower received an interest subsidy under section 428;

(II) by the Secretary, in the case of a consolidation loan for which the application is received by an eligible lender on or after the date of enactment of the Emergency Student Loan Consolidation Act of 1997 except that the Secretary shall pay such interest only on that portion of the loan that repays Federal Stafford Loans for which the student borrower received an interest subsidy under section 428 or Federal Direct Stafford Loans for which the borrower received an interest subsidy under section 455; or

(III) by the borrower, or capitalized, in the case of a consolidation loan other than a loan described in subclause (I) or (II)*, except that with respect to a period of deferment described in clause (i)(II), (ii), (iii), (iv), or (v) of section 428(b)(1)(M), or any period of forbearance, beginning on or after the date of enactment of the College Affordability Act on such a consolidation loan, interest shall not be capitalized at the expiration of such period of deferment or forbearance*;

(D) entitles the borrower to accelerate without penalty repayment of the whole or any part of the loan; and

(E)(i) contains a notice of the system of disclosure concerning such loan to consumer reporting agencies under section 430A, and (ii) provides that the lender on request of the borrower will provide information on the repayment status of the note to such consumer reporting agencies.

(5) DIRECT LOANS.—If, before July 1, 2010, a borrower is unable to obtain a consolidation loan from a lender with an agreement under subsection (a)(1), or is unable to obtain a consolidation loan with income-sensitive repayment terms or income-based repayment terms acceptable to the borrower from such a lender, or chooses to obtain a consolidation loan for the purposes of using the public service loan forgiveness program offered under section 455(m), the Secretary shall offer any such

borrower who applies for it, a Federal Direct Consolidation loan. In addition, in the event that a borrower chooses to obtain a consolidation loan for the purposes of using the no accrual of interest for active duty service members program offered under section 455(o), the Secretary shall offer a Federal Direct Consolidation loan to any such borrower who applies for participation in such program. A direct consolidation loan offered under this paragraph shall, as requested by the borrower, be repaid either pursuant to income contingent repayment under part D of this title, pursuant to income-based repayment under section 493C, or pursuant to any other repayment provision under this section, except that if a borrower intends to be eligible to use the public service loan forgiveness program under section 455(m), such loan shall be repaid using one of the repayment options described in section 455(m)(1)(A). The Secretary shall not offer such loans if, in the Secretary's judgment, the Department of Education does not have the necessary origination and servicing arrangements in place for such loans.

(6) NONDISCRIMINATION IN LOAN CONSOLIDATION.—An eligible lender that makes consolidation loans under this section shall not discriminate against any borrower seeking such a loan—

(A) based on the number or type of eligible student loans the borrower seeks to consolidate, except that a lender is not required to consolidate loans described in subparagraph (D) or (E) of subsection (a)(4) or subsection (d)(1)(C)(ii);

(B) based on the type or category of institution of higher education that the borrower attended;

(C) based on the interest rate to be charged to the borrower with respect to the consolidation loan; or

(D) with respect to the types of repayment schedules offered to such borrower.

(c) PAYMENT OF PRINCIPAL AND INTEREST.—

(1) INTEREST RATE.—(A) Notwithstanding subparagraphs (B) and (C), with respect to any loan made under this section for which the application is received by an eligible lender—

(i) on or after October 1, 1998, and before July 1, 2006, the applicable interest rate shall be determined under section 427A(k)(4); or

(ii) on or after July 1, 2006, and that is disbursed before July 1, 2010, the applicable interest rate shall be determined under section 427A(l)(3).

(B) A consolidation loan made before July 1, 1994, shall bear interest at an annual rate on the unpaid principal balance of the loan that is equal to the greater of—

(i) the weighted average of the interest rates on the loans consolidated, rounded to the nearest whole percent; or

(ii) 9 percent.

(C) A consolidation loan made on or after July 1, 1994, and disbursed before July 1, 2010, shall bear interest at an annual rate on the unpaid principal balance of the loan that is equal

to the weighted average of the interest rates on the loans consolidated, rounded upward to the nearest whole percent.

(D) A consolidation loan for which the application is received by an eligible lender on or after the date of enactment of the Emergency Student Loan Consolidation Act of 1997 and before October 1, 1998, shall bear interest at an annual rate on the unpaid principal balance of the loan that is equal to the rate specified in section 427A(f), except that the eligible lender may continue to calculate interest on such a loan at the rate previously in effect and defer, until not later than April 1, 1998, the recalculation of the interest on such a loan at the rate required by this subparagraph if the recalculation is applied retroactively to the date on which the loan is made.

(2) REPAYMENT SCHEDULES.—(A) Notwithstanding any other provision of this part, to the extent authorized by its certificate of insurance under subsection (b)(2) and approved by the issuer of such certificate, the lender of a consolidation loan shall establish repayment terms as will promote the objectives of this section, which shall include the establishment of graduated, income-sensitive, or income-based repayment schedules, established by the lender in accordance with the regulations of the Secretary. Except as required by such income-sensitive or income-based repayment schedules, or by the terms of repayment pursuant to income contingent repayment offered by the Secretary under subsection (b)(5), such repayment terms shall require that if the sum of the consolidation loan and the amount outstanding on other student loans to the individual—

(i) is less than $7,500, then such consolidation loan shall be repaid in not more than 10 years;

(ii) is equal to or greater than $7,500 but less than $10,000, then such consolidation loan shall be repaid in not more than 12 years;

(iii) is equal to or greater than $10,000 but less than $20,000, then such consolidation loan shall be repaid in not more than 15 years;

(iv) is equal to or greater than $20,000 but less than $40,000, then such consolidation loan shall be repaid in not more than 20 years;

(v) is equal to or greater than $40,000 but less than $60,000, then such consolidation loan shall be repaid in not more than 25 years; or

(vi) is equal to or greater than $60,000, then such consolidation loan shall be repaid in not more than 30 years.

(B) The amount outstanding on other student loans which may be counted for the purpose of subparagraph (A) may not exceed the amount of the consolidation loan.

(3) ADDITIONAL REPAYMENT REQUIREMENTS.—Notwithstanding paragraph (2)—

(A) except in the case of an income-based repayment schedule under section 493C, a repayment schedule established with respect to a consolidation loan shall require that the minimum installment payment be an amount equal to not less than the accrued unpaid interest;

(B) except as required by the terms of repayment pursuant to income contingent repayment offered by the Sec-

retary under subsection (b)(5), the lender of a consolidation loan may, with respect to repayment on the loan, when the amount of a monthly or other similar payment on the loan is not a multiple of $5, round the payment to the next highest whole dollar amount that is a multiple of $5; and

(C) an income-based repayment schedule under section 493C shall not be available to a consolidation loan borrower who used the proceeds of the loan to discharge the liability on a loan under section 428B, or a Federal Direct PLUS loan, made on behalf of a dependent student.

(4) COMMENCEMENT OF REPAYMENT.—Repayment of a consolidation loan shall commence within 60 days after all holders have, pursuant to subsection (b)(1)(D), discharged the liability of the borrower on the loans selected for consolidation.

(5) INSURANCE PREMIUMS PROHIBITED.—No insurance premium shall be charged to the borrower on any consolidation loan, and no insurance premium shall be payable by the lender to the Secretary with respect to any such loan, but a fee may be payable by the lender to the guaranty agency to cover the costs of increased or extended liability with respect to such loan.

(d) SPECIAL PROGRAM AUTHORIZED.—

(1) GENERAL RULE AND DEFINITION OF ELIGIBLE STUDENT LOAN.—

(A) IN GENERAL.—Subject to the provisions of this subsection, the Secretary or a guaranty agency shall enter into agreements with eligible lenders described in subparagraphs (A), (B), and (C) of subsection (a)(1) for the consolidation of eligible student loans.

(B) APPLICABILITY RULE.—Unless otherwise provided in this subsection, the agreements entered into under subparagraph (A) and the loans made under such agreements for the consolidation of eligible student loans under this subsection shall have the same terms, conditions, and benefits as all other agreements and loans made under this section.

(C) DEFINITION.—For the purpose of this subsection, the term "eligible student loans" means loans—

(i) of the type described in subparagraphs (A), (B), and (C) of subsection (a)(4); and

(ii) made under subpart I of part A of title VII of the Public Health Service Act.

(2) INTEREST RATE RULE.—

(A) IN GENERAL.—The portion of each consolidated loan that is attributable to an eligible student loan described in paragraph (1)(C)(ii) shall bear interest at a rate not to exceed the rate determined under subparagraph (B).

(B) DETERMINATION OF THE MAXIMUM INTEREST RATE.—For the 12-month period beginning after July 1, 1992, and for each 12-month period thereafter, beginning on July 1 and ending on June 30, the interest rate applicable under subparagraph (A) shall be equal to the average of the bond equivalent rates of the 91-day Treasury bills auctioned for the quarter prior to July 1, for each 12-month period for which the determination is made, plus 3 percent.

(C) PUBLICATION OF MAXIMUM INTEREST RATE.—The Secretary shall determine the applicable rate of interest under subparagraph (B) after consultation with the Secretary of the Treasury and shall publish such rate in the Federal Register as soon as practicable after the date of such determination.

(3) SPECIAL RULES.—

(A) NO SPECIAL ALLOWANCE RULE.—No special allowance under section 438 shall be paid with respect to the portion of any consolidated loan under this subsection that is attributable to any loan described in paragraph (1)(C)(ii).

(B) NO INTEREST SUBSIDY RULE.—No interest subsidy under section 428(a) shall be paid on behalf of any eligible borrower for any portion of a consolidated loan under this subsection that is attributable to any loan described in paragraph (1)(C)(ii).

(C) ADDITIONAL RESERVE RULE.—Notwithstanding any other provision of this Act, additional reserves shall not be required for any guaranty agency with respect to a loan made under this subsection.

(D) INSURANCE RULE.—Any insurance premium paid by the borrower under subpart I of part A of title VII of the Public Health Service Act with respect to a loan made under that subpart and consolidated under this subsection shall be retained by the student loan insurance account established under section 710 of the Public Health Service Act.

(4) REGULATIONS.—The Secretary is authorized to promulgate such regulations as may be necessary to facilitate carrying out the provisions of this subsection.

(e) TERMINATION OF AUTHORITY.—The authority to make loans under this section expires at the close of June 30, 2010. No loan may be made under this section for which the disbursement is on or after July 1, 2010. Nothing in this section shall be construed to authorize the Secretary to promulgate rules or regulations governing the terms or conditions of the agreements and certificates under subsection (b). Loans made under this section which are insured by the Secretary shall be considered to be new loans made to students for the purpose of section 424(a).

(f) INTEREST PAYMENT REBATE FEE.—

(1) IN GENERAL.—For any month beginning on or after October 1, 1993, each holder of a consolidation loan under this section for which the first disbursement was made on or after October 1, 1993, shall pay to the Secretary, on a monthly basis and in such manner as the Secretary shall prescribe, a rebate fee calculated on an annual basis equal to 1.05 percent of the principal plus accrued unpaid interest on such loan.

(2) SPECIAL RULE.—For consolidation loans based on applications received during the period from October 1, 1998 through January 31, 1999, inclusive, the rebate described in paragraph (1) shall be equal to 0.62 percent of the principal plus accrued unpaid interest on such loan.

(3) DEPOSIT.—The Secretary shall deposit all fees collected pursuant to this subsection into the insurance fund established in section 431.

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SEC. 428F. DEFAULT REDUCTION PROGRAM.

(a) OTHER REPAYMENT INCENTIVES.—

(1) SALE OR ASSIGNMENT OF LOAN.—

(A) IN GENERAL.—Each guaranty agency, upon securing 9 payments made within 20 days of the due date during 10 consecutive months of amounts owed on a loan for which the Secretary has made a payment under paragraph (1) of section 428(c), shall—

(i) if practicable, sell the loan to an eligible lender; or

(ii) beginning July 1, 2014, assign the loan to the Secretary if the guaranty agency has been unable to sell the loan under clause (i).

(B) MONTHLY PAYMENTS.—Neither the guaranty agency nor the Secretary shall demand from a borrower as monthly payment amounts described in subparagraph (A) more than is reasonable and affordable based on the borrower's total financial circumstances.

(C) CONSUMER REPORTING AGENCIES.—Upon the sale or assignment of the loan, the Secretary, guaranty agency or other holder of the loan shall request any consumer reporting agency to which the Secretary, guaranty agency or holder, as applicable, reported the default of the loan, [to remove the record of the default from the borrower's credit history] *to remove any adverse item of information relating to such loan from the borrower's credit history*.

(D) DUTIES UPON SALE.—With respect to a loan sold under subparagraph (A)(i)—

(i) the guaranty agency—

(I) shall, in the case of a sale made on or after July 1, 2014, repay the Secretary 100 percent of the amount of the principal balance outstanding at the time of such sale, multiplied by the reinsurance percentage in effect when payment under the guaranty agreement was made with respect to the loan; and

(II) may, in the case of a sale made on or after July 1, 2014, in order to defray collection costs—

(aa) charge to the borrower an amount not to exceed 16 percent of the outstanding principal and interest at the time of the loan sale; and

(bb) retain such amount from the proceeds of the loan sale; and

(ii) the Secretary shall reinstate the Secretary's obligation to—

(I) reimburse the guaranty agency for the amount that the agency may, in the future, expend to discharge the guaranty agency's insurance obligation; and

(II) pay to the holder of such loan a special allowance pursuant to section 438.

(E) DUTIES UPON ASSIGNMENT.—With respect to a loan assigned under subparagraph (A)(ii)—

(i) the guaranty agency shall add to the principal and interest outstanding at the time of the assignment of such loan an amount equal to the amount described in subparagraph (D)(i)(II)(aa); and

(ii) the Secretary shall pay the guaranty agency, for deposit in the agency's Operating Fund established pursuant to section 422B, an amount equal to the amount added to the principal and interest outstanding at the time of the assignment in accordance with clause (i).

(F) ELIGIBLE LENDER LIMITATION.—A loan shall not be sold to an eligible lender under subparagraph (A)(i) if such lender has been found by the guaranty agency or the Secretary to have substantially failed to exercise the due diligence required of lenders under this part.

(G) DEFAULT DUE TO ERROR.—A loan that does not meet the requirements of subparagraph (A) may also be eligible for sale or assignment under this paragraph upon a determination that the loan was in default due to clerical or data processing error and would not, in the absence of such error, be in a delinquent status.

(2) USE OF PROCEEDS OF SALES.—Amounts received by the Secretary pursuant to the sale of such loans by a guaranty agency under paragraph (1)(A)(i) shall be deducted from the calculations of the amount of reimbursement for which the agency is eligible under paragraph (1)(D)(ii)(I) for the fiscal year in which the amount was received, notwithstanding the fact that the default occurred in a prior fiscal year.

(3) BORROWER ELIGIBILITY.—Any borrower whose loan is sold or assigned under paragraph (1)(A) shall not be precluded by section 484 from receiving additional loans or grants under this title (for which he or she is otherwise eligible) on the basis of defaulting on the loan prior to such loan sale or assignment.

(4) APPLICABILITY OF GENERAL LOAN CONDITIONS.—A loan that is sold or assigned under paragraph (1) shall, so long as the borrower continues to make scheduled repayments thereon, be subject to the same terms and conditions and qualify for the same benefits and privileges as other loans made under this part.

(5) LIMITATION.—A borrower may obtain the benefits available under this subsection with respect to rehabilitating a loan (whether by loan sale or assignment) only one time per loan.

(b) SATISFACTORY REPAYMENT ARRANGEMENTS TO RENEW ELIGIBILITY.—Each guaranty agency shall establish a program which allows a borrower with a defaulted loan or loans to renew eligibility for all title IV student financial assistance (regardless of whether the defaulted loan has been sold to an eligible lender or assigned to the Secretary) upon the borrower's payment of 6 consecutive monthly payments. The guaranty agency shall not demand from a borrower as a monthly payment amount under this subsection more than is reasonable and affordable based upon the borrower's

total financial circumstances. A borrower may only obtain the benefit of this subsection with respect to renewed eligibility once.

(c) FINANCIAL AND ECONOMIC LITERACY.—Each program described in subsection (b) shall include making available financial and economic education materials for a borrower who has rehabilitated a loan.

SEC. 428G. REQUIREMENTS FOR DISBURSEMENT OF STUDENT LOANS.

(a) MULTIPLE DISBURSEMENT REQUIRED.—

(1) TWO DISBURSEMENTS REQUIRED.—The proceeds of any loan made, insured, or guaranteed under this part that is made for any period of enrollment shall be disbursed in 2 or more installments, none of which exceeds one-half of the loan.

(2) MINIMUM INTERVAL REQUIRED.—The interval between the first and second such installments shall be not less than one-half of such period of enrollment, except as necessary to permit the second installment to be disbursed at the beginning of the second semester, quarter, or similar division of such period of enrollment.

(3) SPECIAL RULE.—An institution whose cohort default rate (as determined under section 435(m)) for each of the 3 most recent fiscal years for which data are available is less than 10 percent may disburse any loan made, insured, or guaranteed under this part in a single installment for any period of enrollment that is not more than 1 semester, 1 trimester, 1 quarter, or 4 months. Notwithstanding section 422(d) of the Higher Education Amendments of 1998, this paragraph shall be effective beginning on the date of enactment of the Higher Education Reconciliation Act of 2005.

(4) AMENDMENT TO SPECIAL RULE.—Beginning on October 1, 2011, the special rule under paragraph (3) shall be applied by substituting "15 percent" for "10 percent".

(5) ADJUSTED COHORT DEFAULT RATE.—Beginning on the date on which the final adjusted cohort default rates are published by the Secretary for not less than 3 fiscal years under section 435(m), an institution whose adjusted cohort default rate (as determined under section 435(m)) for each of the 3 most recent fiscal years for which data are available is less than 5 percent may disburse any loan made, insured, or guaranteed under this part in a single installment for any period of enrollment that is not more than 1 semester, 1 trimester, 1 quarter, or 4 months.

(b) DISBURSEMENT AND ENDORSEMENT REQUIREMENTS.—

(1) FIRST YEAR STUDENTS.—The first installment of the proceeds of any loan made, insured, or guaranteed under this part that is made to a student borrower who is entering the first year of a program of undergraduate education, and who has not previously obtained a loan under this part, shall not (regardless of the amount of such loan or the duration of the period of enrollment) be presented by the institution to the student for endorsement until 30 days after the borrower begins a course of study, but may be delivered to the eligible institution prior to the end of that 30-day period. An institution whose cohort default rate (as determined under section 435(m)) for each of the three most recent fiscal years for which data are available is less than 10 percent shall be exempt from the requirements of this paragraph. Notwithstanding section 422(d)

of the Higher Education Amendments of 1998, the second sentence of this paragraph shall be effective beginning on the date of enactment of the Higher Education Reconciliation Act of 2005.

(2) OTHER STUDENTS.—The proceeds of any loan made, insured, or guaranteed under this part that is made to any student other than a student described in paragraph (1) shall not be disbursed more than 30 days prior to the beginning of the period of enrollment for which the loan is made.

(3) AMENDMENT TO COHORT DEFAULT RATE EXEMPTION.—Beginning on October 1, 2011, the exemption to the requirements of paragraph (1) in the second sentence of such paragraph shall be applied by substituting "15 percent" for "10 percent".

(c) METHOD OF MULTIPLE DISBURSEMENT.—Disbursements under subsection (a)—

(1) shall be made in accordance with a schedule provided by the institution (under section 428(a)(2)(A)(i)(II)) that complies with the requirements of this section;

(2) may be made directly by the lender or, in the case of a loan under sections 428 and 428A, may be disbursed pursuant to the escrow provisions of section 428(i); and

(3) notwithstanding subsection (a)(2), may, with the permission of the borrower, be disbursed by the lender on a weekly or monthly basis, provided that the proceeds of the loan are disbursed by the lender in substantially equal weekly or monthly installments, as the case may be, over the period of enrollment for which the loan is made.

(d) WITHHOLDING OF SECOND DISBURSEMENT.—

(1) WITHDRAWING STUDENTS.—A lender or escrow agent that is informed by the borrower or the institution that the borrower has ceased to be enrolled before the disbursement of the second or any succeeding installment shall withhold such disbursement. Any disbursement which is so withheld shall be credited to the borrower's loan and treated as a prepayment thereon.

(2) STUDENTS RECEIVING OVER-AWARDS.—If the sum of a disbursement for any student and the other financial aid obtained by such student exceeds the amount of assistance for which the student is eligible under this title, the institution such student is attending shall withhold and return to the lender or escrow agent the portion (or all) of such installment that exceeds such eligible amount, except that overawards permitted pursuant to section 443(b)(4) of the Act shall not be construed to be overawards for purposes of this paragraph. Any portion (or all) of a disbursement installment which is so returned shall be credited to the borrower's loan and treated as a prepayment thereon.

(e) EXCLUSION OF CONSOLIDATION AND FOREIGN STUDY LOANS.—The provisions of this section shall not apply in the case of a loan made under section 428C, or made to a student to cover the cost of attendance in a program of study abroad approved by the home eligible institution if the home eligible institution has a cohort default rate (as calculated under section 435(m)) of less than 5 percent*, or beginning on the date on which the final adjusted cohort default rates are published by the Secretary for fiscal year 2018*

under section 435(m), an adjusted cohort default rate (as determined under section 435(m)) of less than 2 percent.

(f) BEGINNING OF PERIOD OF ENROLLMENT.—For purposes of this section, a period of enrollment begins on the first day that classes begin for the applicable period of enrollment.

(g) SALES PRIOR TO DISBURSEMENT PROHIBITED.—An eligible lender shall not sell or transfer a promissory note for any loan made, insured, or guaranteed under this part until the final disbursement of such loan has been made, except that the prohibition of this subsection shall not apply if—

(1) the sale of the loan does not result in a change in the identity of the party to whom payments will be made for the loan; and

(2) the first disbursement of such loan has been made.

SEC. 428H. UNSUBSIDIZED STAFFORD LOANS FOR MIDDLE-INCOME BORROWERS.

(a) IN GENERAL.—It is the purpose of this section to authorize insured loans under this part that are first disbursed before July 1, 2010, for borrowers who do not qualify for Federal interest subsidy payments under section 428 of this Act. Except as provided in this section, all terms and conditions for Federal Stafford loans established under section 428 shall apply to loans made pursuant to this section.

(b) ELIGIBLE BORROWERS.—Prior to July 1, 2010, any student meeting the requirements for student eligibility under section 484 (including graduate and professional students as defined in regulations promulgated by the Secretary) shall be entitled to borrow an unsubsidized Federal Stafford Loan for which the first disbursement is made before such date if the eligible institution at which the student has been accepted for enrollment, or at which the student is in attendance, has—

(1) determined and documented the student's need for the loan based on the student's estimated cost of attendance (as determined under section 472) and the student's estimated financial assistance, including a loan which qualifies for interest subsidy payments under section 428; and

(2) provided the lender a statement—

(A) certifying the eligibility of the student to receive a loan under this section and the amount of the loan for which such student is eligible, in accordance with subsection (c); and

(B) setting forth a schedule for disbursement of the proceeds of the loan in installments, consistent with the requirements of section 428G.

(c) DETERMINATION OF AMOUNT OF LOAN.—The determination of the amount of a loan by an eligible institution under subsection (b) shall be calculated by subtracting from the estimated cost of attendance at the eligible institution any estimated financial assistance reasonably available to such student. An eligible institution may not, in carrying out the provisions of subsection (b) of this section, provide a statement which certifies the eligibility of any student to receive any loan under this section in excess of the amount calculated under the preceding sentence.

(d) LOAN LIMITS.—

(1) IN GENERAL.—Except as provided in paragraphs (2), (3), and (4), the annual and aggregate limits for loans under this section shall be the same as those established under section 428(b)(1), less any amount received by such student pursuant to the subsidized loan program established under section 428.

(2) LIMITS FOR GRADUATE, PROFESSIONAL, AND INDEPENDENT POSTBACCALAUREATE STUDENTS.—

(A) ANNUAL LIMITS.—The maximum annual amount of loans under this section a graduate or professional student, or a student described in clause (ii), may borrow in any academic year (as defined in section 481(a)(2)) or its equivalent shall be the amount determined under paragraph (1), plus—

(i) in the case of such a student who is a graduate or professional student attending an eligible institution, $12,000; and

(ii) notwithstanding paragraph (4), in the case of an independent student, or a dependent student whose parents are unable to borrow under section 428B or the Federal Direct PLUS Loan Program, who has obtained a baccalaureate degree and who is enrolled in coursework specified in paragraph (3)(B) or (4)(B) of section 484(b)—

(I) $7,000 for coursework necessary for enrollment in a graduate or professional program; and

(II) $7,000 for coursework necessary for a professional credential or certification from a State required for employment as a teacher in an elementary or secondary school,

except in cases where the Secretary determines that a higher amount is warranted in order to carry out the purpose of this part with respect to students engaged in specialized training requiring exceptionally high costs of education, but the annual insurable limit per student shall not be deemed to be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any years in excess of the annual limit.

(B) AGGREGATE LIMIT.—The maximum aggregate amount of loans under this section a student described in subparagraph (A) may borrow shall be the amount described in paragraph (1), adjusted to reflect the increased annual limits described in subparagraph (A), as prescribed by the Secretary by regulation.

(3) LIMITS FOR UNDERGRADUATE DEPENDENT STUDENTS.—

(A) ANNUAL LIMITS.—The maximum annual amount of loans under this section an undergraduate dependent student (except an undergraduate dependent student whose parents are unable to borrow under section 428B or the Federal Direct PLUS Loan Program) may borrow in any academic year (as defined in section 481(a)(2)) or its equivalent shall be the sum of the amount determined under paragraph (1), plus $2,000.

(B) AGGREGATE LIMITS.—The maximum aggregate amount of loans under this section a student described in subparagraph (A) may borrow shall be $31,000.

(4) LIMITS FOR UNDERGRADUATE INDEPENDENT STUDENTS.—

(A) ANNUAL LIMITS.—The maximum annual amount of loans under this section an undergraduate independent student, or an undergraduate dependent student whose parents are unable to borrow under section 428B or the Federal Direct PLUS Loan Program, may borrow in any academic year (as defined in section 481(a)(2)) or its equivalent shall be the sum of the amount determined under paragraph (1), plus—

(i) in the case of such a student attending an eligible institution who has not completed such student's first 2 years of undergraduate study—

(I) $6,000, if such student is enrolled in a program whose length is at least one academic year in length; or

(II) if such student is enrolled in a program of undergraduate education which is less than one academic year, the maximum annual loan amount that such student may receive may not exceed the amount that bears the same ratio to the amount specified in subclause (I) as the length of such program measured in semester, trimester, quarter, or clock hours bears to one academic year;

(ii) in the case of such a student at an eligible institution who has successfully completed such first and second years but has not successfully completed the remainder of a program of undergraduate education—

(I) $7,000; or

(II) if such student is enrolled in a program of undergraduate education, the remainder of which is less than one academic year, the maximum annual loan amount that such student may receive may not exceed the amount that bears the same ratio to the amount specified in subclause (I) as such remainder measured in semester, trimester, quarter, or clock hours bears to one academic year; and

(iii) in the case of such a student enrolled in coursework specified in—

(I) section 484(b)(3)(B), $6,000; or

(II) section 484(b)(4)(B), $7,000.

(B) AGGREGATE LIMITS.—The maximum aggregate amount of loans under this section a student described in subparagraph (A) may borrow shall be $57,500.

(5) CAPITALIZED INTEREST.—Interest capitalized shall not be deemed to exceed a maximum aggregate amount determined under subparagraph (B) of paragraph (2), (3), or (4).

(e) PAYMENT OF PRINCIPAL AND INTEREST.—

(1) COMMENCEMENT OF REPAYMENT.—Repayment of principal on loans made under this section shall begin at the beginning of the repayment period described in section 428(b)(7). Not less than 30 days prior to the anticipated commencement of such repayment period, the holder of such loan shall provide notice to the borrower that interest will accrue before repayment be-

gins and of the borrower's option to begin loan repayment at an earlier date.

(2) CAPITALIZATION OF INTEREST.—(A) Except as provided in subparagraph (C), interest on loans made under this section for which payments of principal are not required during the in-school and grace periods or for which payments are deferred under sections 427(a)(2)(C) and 428(b)(1)(M) shall, if agreed upon by the borrower and the lender—

(i) be paid monthly or quarterly; or

(ii) be added to the principal amount of the loan by the lender only—

(I) when the loan enters repayment;

(II) at the expiration of a grace period, in the case of a loan that qualifies for a grace period;

(III) at the expiration of a period of deferment or forbearance*, except that with respect to a period of deferment described in clause (i)(II), (ii), (iii), or (iv) of section 427(a)(2)(C) or clause (i)(II), (ii), (iii), (iv), or (v) of section 428(b)(1)(M), or any period of forbearance, beginning on or after the date of enactment of the College Affordability Act on a loan made, insured, or guaranteed under this section, interest shall not be added to the principal amount of the loan at the expiration of such period of deferment or forbearance*; or

(IV) when the borrower defaults.

(B) The capitalization of interest described in subparagraph (A) shall not be deemed to exceed the annual insurable limit on account of the student.

(C) Interest shall not accrue on a loan deferred under section 428(b)(1)(M)(v) or 427(a)(2)(C)(iv).

(3) SUBSIDIES PROHIBITED.—No payments to reduce interest costs shall be paid pursuant to section 428(a) of this part on loans made pursuant to this section.

(4) APPLICABLE RATES OF INTEREST.—Interest on loans made pursuant to this section shall be at the applicable rate of interest provided in section 427A.

(5) AMORTIZATION.—The amount of the periodic payment and the repayment schedule for any loan made pursuant to this section shall be established by assuming an interest rate equal to the applicable rate of interest at the time the repayment of the principal amount of the loan commences. At the option of the lender, the note or other written evidence of the loan may require that—

(A) the amount of the periodic payment will be adjusted annually; or

(B) the period of repayment of principal will be lengthened or shortened,

in order to reflect adjustments in interest rates occurring as a consequence of section 427A(c)(4).

(6) REPAYMENT PERIOD.—For purposes of calculating the repayment period under section 428(b)(9), such period shall commence at the time the first payment of principal is due from the borrower.

(7) QUALIFICATION FOR FORBEARANCE.—A lender may grant the borrower of a loan under this section a forbearance for a

period not to exceed 60 days if the lender reasonably determines that such a forbearance from collection activity is warranted following a borrower's request for forbearance, deferment, or a change in repayment plan, or a request to consolidate loans in order to collect or process appropriate supporting documentation related to the request. During any such period, interest on the loan shall accrue but not be capitalized.

[(f) Repealed]

(g) SINGLE APPLICATION FORM AND LOAN REPAYMENT SCHEDULE.—A guaranty agency shall use a single application form and a single repayment schedule for subsidized Federal Stafford loans made pursuant to section 428 and for unsubsidized Federal Stafford loans made pursuant to this section.

(h) INSURANCE PREMIUM.—Each State or nonprofit private institution or organization having an agreement with the Secretary under section 428(b)(1) may charge a borrower under this section an insurance premium equal to not more than 1.0 percent of the principal amount of the loan, if such premium will not be used for incentive payments to lenders. Effective for loans for which the date of guarantee of principal is on or after July 1, 2006, and that are first disbursed before July 1, 2010, in lieu of the insurance premium authorized under the preceding sentence, each State or nonprofit private institution or organization having an agreement with the Secretary under section 428(b)(1) shall collect and deposit into the Federal Student Loan Reserve Fund under section 422A, a Federal default fee of an amount equal to 1.0 percent of the principal amount of the loan, which fee shall be collected either by deduction from the proceeds of the loan or by payment from other non-Federal sources. The Federal default fee shall not be used for incentive payments to lenders.

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SEC. 432. LEGAL POWERS AND RESPONSIBILITIES.

(a) GENERAL POWERS.—In the performance of, and with respect to, the functions, powers, and duties, vested in him by this part, the Secretary may—

(1) prescribe such regulations as may be necessary to carry out the purposes of this part, including regulations applicable to third party servicers (including regulations concerning financial responsibility standards for, and the assessment of liabilities for program violations against, such servicers) to establish minimum standards with respect to sound management and accountability of programs under this part, except that in no case shall damages be assessed against the United States for the actions or inactions of such servicers;

(2) sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this part without regard to the amount in controversy, and action instituted under this subsection by or against the Secretary shall survive notwithstanding any change in the person occupying the office of Secretary or any vacancy in that office; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Secretary or property under the Secretary's control

and nothing herein shall be construed to except litigation arising out of activities under this part from the application of sections 509, 517, 547, and 2679 of title 28 of the United States Code;

(3) include in any contract for Federal loan insurance such terms, conditions, and covenants relating to repayment of principal and payment of interest, relating to the Secretary's obligations and rights to those of eligible lenders, and borrowers in case of default, and relating to such other matters as the Secretary determines to be necessary to assure that the purposes of this part will be achieved; and any term, condition, and covenant made pursuant to this paragraph or pursuant to any other provision of this part may be modified by the Secretary, after notice and opportunity for a hearing, if the Secretary finds that the modification is necessary to protect the United States from the risk of unreasonable loss;

(4) subject to the specific limitations in this part, consent to modification, with respect to rate of interest, time of payment of any installment of principal and interest or any portion thereof, or any other provision of any note or other instrument evidencing a loan which has been insured by the Secretary under this part;

(5) enforce, pay, or compromise, any claim on, or arising because of, any such insurance or any guaranty agreement under section 428(c); and

(6) enforce, pay, compromise, waive, or release any right, title, claim, lien, or demand, however acquired, including any equity or any right of redemption.

(b) FINANCIAL OPERATIONS RESPONSIBILITIES.—The Secretary shall, with respect to the financial operations arising by reason of this part prepare annually and submit a budget program as provided for wholly owned Government corporations by chapter 91 of title 31, United States Code. The transactions of the Secretary, including the settlement of insurance claims and of claims for payments pursuant to section 428, and transactions related thereto and vouchers approved by the Secretary in connection with such transactions, shall be final and conclusive upon all accounting and other officers of the Government. The Secretary may not enter into any settlement of any claim under this title that exceeds $1,000,000 unless—

(1) the Secretary requests a review of the proposed settlement of such claim by the Attorney General; and

(2) the Attorney General responds to such request, which may include, at the Attorney General's discretion, a written opinion related to such proposed settlement.

(c) DATA COLLECTION.—

(1) COLLECTION BY CATEGORY OF LOAN.—(A) For loans insured after December 31, 1976, or in the case of each insurer after such earlier date where the data required by this subsection are available, the Secretary and all other insurers under this part shall collect and accumulate all data relating to (i) loan volume insured and (ii) defaults reimbursed or default rates according to the categories of loans listed in subparagraph (B) of this paragraph.

(B) The data indicated in subparagraph (A) of this paragraph shall be accumulated according to the category of lender making the loan and shall be accumulated separately for lenders who are (i) eligible institutions, (ii) State or private, nonprofit direct lenders, (iii) commercial financial institutions who are banks, savings and loan associations, or credit unions, and (iv) all other types of institutions or agencies.

(C) The Secretary may designate such additional subcategories within the categories specified in subparagraph (B) of this paragraph as the Secretary deems appropriate.

(D) The category or designation of a loan shall not be changed for any reason, including its purchase or acquisition by a lender of another category.

(2) COLLECTION AND REPORTING REQUIREMENTS.—(A) The Secretary shall collect data under this subsection from all insurers under this part and shall publish not less often than once every fiscal year a report showing loan volume guaranteed and default data for each category specified in subparagraph (B) of paragraph (1) of this subsection and for the total of all lenders.

(B) The reports specified in subparagraph (A) of this paragraph shall include a separate report for each insurer under this part including the Secretary, and where an insurer insures loans for lenders in more than one State, such insurer's report shall list all data separately for each State.

(3) INSTITUTIONAL, PUBLIC, OR NONPROFIT LENDERS.—For purposes of clarity in communications, the Secretary shall separately identify loans made by the lenders referred to in clause (i) and loans made by the lenders referred to in clause (ii) of paragraph (1)(B) of this subsection.

(d) DELEGATION.—

(1) REGIONAL OFFICES.—The functions of the Secretary under this part listed in paragraph (2) of this subsection may be delegated to employees in the regional office of the Department.

(2) DELEGABLE FUNCTIONS.—The functions which may be delegated pursuant to this subsection are—

(A) reviewing applications for loan insurance under section 429 and issuing contracts for Federal loan insurance, certificates of insurance, and certificates of comprehensive insurance coverage to eligible lenders which are financial or credit institutions subject to examination and supervision by an agency of the United States or of any State;

(B) receiving claims for payments under section 430(a), examining those claims, and pursuant to regulations of the Secretary, approving claims for payment, or requiring lenders to take additional collection action as a condition for payment of claims; and

(C) certifying to the central office when collection of defaulted loans has been completed, compromising or agreeing to the modification of any Federal claim against a borrower (pursuant to regulations of the Secretary issued under section 432(a)), and recommending litigation with respect to any such claim.

(e) USE OF INFORMATION ON BORROWERS.—Notwithstanding any other provision of law, the Secretary may provide to eligible lend-

ers, and to any guaranty agency having a guaranty agreement under section 428(c)(1), any information with respect to the names and addresses of borrowers or other relevant information which is available to the Secretary, from whatever source such information may be derived.

(f) AUDIT OF FINANCIAL TRANSACTIONS.—

(1) COMPTROLLER GENERAL AND INSPECTOR GENERAL AUTHORITY.—The Comptroller General and the Inspector General of the Department of Education shall each have the authority to conduct an audit of the financial transactions of—

(A) any guaranty agency operating under an agreement with the Secretary pursuant to section 428(b);

(B) any eligible lender as defined in section 435(d)(1); and

(C) a representative sample of eligible lenders under this part, upon the request of either of the authorizing committees, with respect to the payment of the special allowance under section 438 in order to evaluate the program authorized by this part.

(2) ACCESS TO RECORDS.—For the purpose of carrying out this subsection, the records of any entity described in subparagraph (A), (B), (C), or (D) of paragraph (1) shall be available to the Comptroller General and the Inspector General of the Department of Education. For the purpose of section 716(c) of title 31, United States Code, such records shall be considered to be records to which the Comptroller General has access by law, and for the purpose of section 6(a)(4) of the Inspector General Act of 1978, such records shall be considered to be records necessary in the performance of functions assigned by that Act to the Inspector General.

(3) DEFINITION OF RECORDS.—For the purpose of this subsection, the term "record" includes any information, document, report, answer, account, paper, or other data or documentary evidence.

(4) AUDIT PROCEDURES.—In conducting audits pursuant to this subsection, the Comptroller General and the Inspector General of the Department of Education shall audit the records to determine the extent to which they, at a minimum, comply with Federal statutes, and rules and regulations prescribed by the Secretary, in effect at the time that the record was made, and in no case shall the Comptroller General or the Inspector General apply subsequently determined standards, procedures, or regulations to the records of such agency, lender, or Authority.

(g) CIVIL PENALTIES.—

(1) AUTHORITY TO IMPOSE PENALTIES.—Upon determination, after reasonable notice and opportunity for a hearing, that a lender or a guaranty agency—

(A) has violated or failed to carry out any provision of this part or any regulation prescribed under this part, or

(B) has engaged in substantial misrepresentation of the nature of its financial charges,

the Secretary may impose a civil penalty upon such lender or agency of not to exceed $25,000 for each violation, failure, or misrepresentation.

(2) LIMITATIONS.—No civil penalty may be imposed under paragraph (1) of this subsection unless the Secretary determines that—

(A) the violation, failure, or substantial misrepresentation referred to in that paragraph resulted from a violation, failure, or misrepresentation that is material; and

(B) the lender or guaranty agency knew or should have known that its actions violated or failed to carry out the provisions of this part or the regulations thereunder.

(3) CORRECTION OF FAILURE.—A lender or guaranty agency has no liability under paragraph (1) of this subsection if, prior to the notification by the Secretary under that paragraph, the lender or guaranty agency cures or corrects the violation or failure or notifies the person who received the substantial misrepresentation of the actual nature of the financial charges involved.

(4) CONSIDERATION AS SINGLE VIOLATION.—For the purpose of paragraph (1) of this subsection, violations, failures, or substantial misrepresentations arising from a specific practice of a lender or guaranty agency, and occurring prior to notification by the Secretary under that paragraph, shall be deemed to be a single violation, failure, or substantial misrepresentation even if the violation, failure, or substantial misrepresentation affects more than one loan or more than one borrower, or both. The Secretary may only impose a single civil penalty for each such violation, failure, or substantial misrepresentation.

(5) ASSIGNEES NOT LIABLE FOR VIOLATIONS BY OTHERS.—If a loan affected by a violation, failure, or substantial misrepresentation is assigned to another holder, the lender or guaranty agency responsible for the violation, failure, or substantial misrepresentation shall remain liable for any civil money penalty provided for under paragraph (1) of this subsection, but the assignee shall not be liable for any such civil money penalty.

(6) COMPROMISE.—Until a matter is referred to the Attorney General, any civil penalty under paragraph (1) of this subsection may be compromised by the Secretary. In determining the amount of such penalty, or the amount agreed upon in compromise, the Secretary shall consider the appropriateness of the penalty to the resources of the lender or guaranty agency subject to the determination; the gravity of the violation, failure, or substantial misrepresentation; the frequency and persistence of the violation, failure, or substantial misrepresentation; and the amount of any losses resulting from the violation, failure, or substantial misrepresentation. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the lender or agency charged, unless the lender or agency has, in the case of a final agency determination, commenced proceedings for judicial review within 90 days of the determination, in which case the deduction may not be made during the pendency of the proceeding.

(h) AUTHORITY OF THE SECRETARY TO IMPOSE AND ENFORCE LIMITATIONS, SUSPENSIONS, AND TERMINATIONS.—

(1) IMPOSITION OF SANCTIONS.—(A) If the Secretary, after a reasonable notice and opportunity for hearing to an eligible lender, finds that the eligible lender—

(i) has substantially failed—

(I) to exercise reasonable care and diligence in the making and collecting of loans under the provisions of this part,

(II) to make the reports or statements under section 428(a)(4), or

(III) to pay the required loan insurance premiums to any guaranty agency, or

(ii) has engaged in—

(I) fraudulent or misleading advertising or in solicitations that have resulted in the making of loans insured or guaranteed under this part to borrowers who are ineligible; or

(II) the practice of making loans that violate the certification for eligibility provided in section 428,

the Secretary shall limit, suspend, or terminate that lender from participation in the insurance programs operated by guaranty agencies under this part.

(B) The Secretary shall not lift any such limitation, suspension, or termination until the Secretary is satisfied that the lender's failure under subparagraph (A)(i) of this paragraph or practice under subparagraph (A)(ii) of this paragraph has ceased and finds that there are reasonable assurances that the lender will—

(i) exercise the necessary care and diligence,

(ii) comply with the requirements described in subparagraph (A)(i), or

(iii) cease to engage in the practices described in subparagraph (A)(ii),

as the case may be.

(2) REVIEW OF SANCTIONS ON LENDERS.—(A) The Secretary shall review each limitation, suspension, or termination imposed by any guaranty agency pursuant to section 428(b)(1)(U) within 60 days after receipt by the Secretary of a notice from the guaranty agency of the imposition of such limitation, suspension, or termination, unless the right to such review is waived in writing by the lender. The Secretary shall uphold the imposition of such limitation, suspension, or termination in the student loan insurance program of each of the guaranty agencies under this part, and shall notify such guaranty agencies of such sanction—

(i) if such review is waived; or

(ii) if such review is not waived, unless the Secretary determines that the limitation, suspension, or termination was not imposed in accordance with requirements of such section.

(B) The Secretary's review under this paragraph of the limitation, suspension, or termination imposed by a guaranty agency pursuant to section 428(b)(1)(U) shall be limited to—

(i) a review of the written record of the proceedings in which the guaranty agency imposed such sanctions; and

(ii) a determination as to whether the guaranty agency complied with section 428(b)(1)(U) and any notice and hearing requirements prescribed in regulations of the Secretary under this part.

(C) The Secretary shall not lift any such sanction until the Secretary is satisfied that the lender has corrected the failures which led to the limitation, suspension, or termination, and finds that there are reasonable assurances that the lender will, in the future, comply with the requirements of this part. The Secretary shall notify each guaranty agency of the lifting of any such sanction.

(3) REVIEW OF SANCTIONS ON ELIGIBLE INSTITUTIONS.—(A) The Secretary shall review each limitation, suspension, or termination imposed by any guaranty agency pursuant to section 428(b)(1)(T) within 60 days after receipt by the Secretary of a notice from the guaranty of the imposition of such limitation, suspension, or termination, unless the right to such review is waived in writing by the institution. The Secretary shall uphold the imposition of such limitation, suspension, or termination in the student loan insurance program of each of the guaranty agencies under this part, and shall notify such guaranty agencies of such sanctions—

(i) if such review is waived; or

(ii) if such review is not waived, unless the Secretary determines that the limitation, suspension, or termination was not imposed in accordance with requirements of such section.

(B) The Secretary's review under this paragraph of the limitation, suspension, or termination imposed by a guaranty agency pursuant to section 428(b)(1)(T) shall be limited to—

(i) a review of the written record of the proceedings in which the guaranty agency imposed such sanctions; and

(ii) a determination as to whether the guaranty agency complied with section 428(b)(1)(T) and any notice and hearing requirements prescribed in regulations of the Secretary under this part.

(C) The Secretary shall not lift any such sanction until the Secretary is satisfied that the institution has corrected the failures which led to the limitation, suspension, or termination, and finds that there are reasonable assurances that the institution will, in the future, comply with the requirements of this part. The Secretary shall notify each guaranty agency of the lifting of any such sanction.

(i) AUTHORITY TO SELL DEFAULTED LOANS.—In the event that all other collection efforts have failed, the Secretary is authorized to sell defaulted student loans assigned to the United States under this part to collection agencies, eligible lenders, guaranty agencies, or other qualified purchaser on such terms as the Secretary determines are in the best financial interests of the United States. A loan may not be sold pursuant to this subsection if such loan is in repayment status.

(j) AUTHORITY OF THE SECRETARY TO TAKE EMERGENCY ACTIONS AGAINST LENDERS.—

(1) IMPOSITION OF SANCTIONS.—If the Secretary—

(A) receives information, determined by the Secretary to be reliable, that a lender is violating any provision of this title, any regulation prescribed under this title, or any applicable special arrangement, agreement, or limitation;

(B) determines that immediate action is necessary to prevent misuse of Federal funds; and

(C) determines that the likelihood of loss outweighs the importance of following the limitation, suspension, or termination procedures authorized in subsection (h);

the Secretary shall, effective on the date on which a notice and statement of the basis of the action is mailed to the lender (by registered mail, return receipt requested), take emergency action to stop the issuance of guarantee commitments and the payment of interest benefits and special allowance to the lender.

(2) LENGTH OF EMERGENCY ACTION.—An emergency action under this subsection may not exceed 30 days unless a limitation, suspension, or termination proceeding is initiated against the lender under subsection (h) before the expiration of that period.

(3) OPPORTUNITY TO SHOW CAUSE.—The Secretary shall provide the lender, if it so requests, an opportunity to show cause that the emergency action is unwarranted.

(k) PROGRAM OF ASSISTANCE FOR BORROWERS.—

(1) IN GENERAL.—The Secretary shall undertake a program to encourage corporations and other private and public employers, including the Federal Government, to assist borrowers in repaying loans received under this title, including providing employers with options for payroll deduction of loan payments and offering loan repayment matching provisions as part of employee benefit packages.

(2) PUBLICATION.—The Secretary shall publicize models for providing the repayment assistance described in paragraph (1) and each year select entities that deserve recognition, through means devised by the Secretary, for the development of innovative plans for providing such assistance to employees.

(3) RECOMMENDATION.—The Secretary shall recommend to the appropriate committees in the Senate and House of Representatives changes to statutes that could be made in order to further encourage such efforts.

(l) UNIFORM ADMINISTRATIVE AND CLAIMS PROCEDURES.—

(1) IN GENERAL.—The Secretary shall, by regulation developed in consultation with guaranty agencies, lenders, institutions of higher education, secondary markets, students, third party servicers and other organizations involved in providing loans under this part, prescribe standardized forms and procedures regarding—

(A) origination of loans;

(B) electronic funds transfer;

(C) guaranty of loans;

(D) deferments;

(E) forbearance;

(F) servicing;

(G) claims filing;

(H) borrower status change and anticipated graduation date; and

(I) cures.

(2) SPECIAL RULES.—(A) The forms and procedures described in paragraph (1) shall include all aspects of the loan process as such process involves eligible lenders and guaranty agencies and shall be designed to minimize administrative costs and burdens (other than the costs and burdens involved in the transition to new forms and procedures) involved in exchanges of data to and from borrowers, schools, lenders, secondary markets, and the Department.

(B) Nothing in this paragraph shall be construed to limit the development of electronic forms and procedures.

(3) SIMPLIFICATION REQUIREMENTS.—Such regulations shall include—

(A) standardization of computer formats, forms design, and guaranty agency procedures relating to the origination, servicing, and collection of loans made under this part;

(B) authorization of alternate means of document retention, including the use of microfilm, microfiche, laser disc, compact disc, and other methods allowing the production of a facsimile of the original documents;

(C) authorization of the use of computer or similar electronic methods of maintaining records relating to the performance of servicing, collection, and other regulatory requirements under this Act; and

(D) authorization and implementation of electronic data linkages for the exchange of information to and from lenders, guarantors, institutions of higher education, third party servicers, and the Department of Education for student status confirmation reports, claim filing, interest and special allowance billing, deferment processing, and all other administrative steps relating to loans made pursuant to this part where using electronic data linkage is feasible.

(4) ADDITIONAL RECOMMENDATIONS.—The Secretary shall review regulations prescribed pursuant to paragraph (1) and seek additional recommendations from guaranty agencies, lenders, institutions of higher education, students, secondary markets, third party servicers and other organizations involved in providing loans under this part, not less frequently than annually, for additional methods of simplifying and standardizing the administration of the programs authorized by this part.

(m) COMMON FORMS AND FORMATS.—

(1) COMMON GUARANTEED STUDENT LOAN APPLICATION FORM AND PROMISSORY NOTE.—

(A) IN GENERAL.—The Secretary, in cooperation with representatives of guaranty agencies, eligible lenders, and organizations involved in student financial assistance, shall prescribe common application forms and promissory notes, or master promissory notes, to be used for applying for loans under part B of this title.

(B) REQUIREMENTS.—The forms prescribed by the Secretary shall—

(i) use clear, concise, and simple language to facilitate understanding of loan terms and conditions by applicants; and

(ii) be formatted to require the applicant to clearly indicate a choice of lender.

(C) FREE APPLICATION FORM.—For academic year 1999–2000 and succeeding academic years, the Secretary shall prescribe the form developed under section 483 as the application form under this part, other than for loans under sections 428B and 428C.

(D) MASTER PROMISSORY NOTE.—

(i) IN GENERAL.—The Secretary shall develop and require the use of master promissory note forms for loans made under this part and part D. Such forms shall be available for periods of enrollment beginning not later than July 1, 2000. Each form shall allow eligible borrowers to receive, in addition to initial loans, additional loans for the same or subsequent periods of enrollment through a student confirmation process approved by the Secretary. Such forms shall be used for loans made under this part or part D as directed by the Secretary. Unless otherwise notified by the Secretary, each institution of higher education that participates in the program under this part or part D may use a master promissory note for loans under this part and part D.

(ii) CONSULTATION.—In developing the master promissory note under this subsection, the Secretary shall consult with representatives of guaranty agencies, eligible lenders, institutions of higher education, students, and organizations involved in student financial assistance.

(iii) SALE; ASSIGNMENT; ENFORCEABILITY.—Notwithstanding any other provision of law, each loan made under a master promissory note under this subsection may be sold or assigned independently of any other loan made under the same promissory note and each such loan shall be separately enforceable in all Federal and State courts on the basis of an original or copy of the master promissory note in accordance with the terms of the master promissory note.

(iv) STUDENT LOAN CONTRACT.—

(I) IN GENERAL.—Any master promissory note form described in this subparagraph that is developed or used for loans made under part D for periods of enrollment beginning on or after the date of enactment of the College Affordability Act shall be referred to as a "student loan contract".

(II) CLARIFICATION ON USE.—Notwithstanding clause (i), each student loan contract for a part D loan made for periods of enrollment beginning on or after the date of enactment of the College Affordability Act shall—

(aa) not be entered into by a student unless the student has completed all required coun-

seling related to such loan, including counseling required under section 485(l);

(bb) be signed by the student entering such student loan contract after completion of such counseling; and

(cc) be used only for the academic year for which the initial loans are made under the contract, and shall not be valid for additional loans for the same or subsequent periods of enrollment.

(v) LOAN DISCLOSURES.—For loans made for periods of enrollment beginning on or after the date of enactment of the College Affordability Act, the Secretary shall take such steps as are necessary to streamline the student loan disclosure requirements under this Act. The Secretary shall ensure that information required to be disclosed to a student who is applying for, receiving, or preparing to repay a loan under part D of this Act shall be streamlined in a manner that—

(I) based upon consumer testing, reduces and simplifies the paperwork students are required to complete; and

(II) limits the number of times students are presented with disclosures by incorporating the streamlined disclosures into required student loan counseling under section 485(l), the student loan contract under this subparagraph, or both.

(E) PERFECTION OF SECURITY INTERESTS IN STUDENT LOANS.—

(i) IN GENERAL.—Notwithstanding the provisions of any State law to the contrary, including the Uniform Commercial Code as in effect in any State, a security interest in loans made under this part, on behalf of any eligible lender (as defined in section 435(d)) shall attach, be perfected, and be assigned priority in the manner provided by the applicable State's law for perfection of security interests in accounts, as such law may be amended from time to time (including applicable transition provisions). If any such State's law provides for a statutory lien to be created in such loans, such statutory lien may be created by the entity or entities governed by such State law in accordance with the applicable statutory provisions that created such a statutory lien.

(ii) COLLATERAL DESCRIPTION.—In addition to any other method for describing collateral in a legally sufficient manner permitted under the laws of the State, the description of collateral in any financing statement filed pursuant to this subparagraph shall be deemed legally sufficient if it lists such loans, or refers to records (identifying such loans) retained by the secured party or any designee of the secured party identified in such financing statement, including the debtor or any loan servicer.

(iii) SALES.—Notwithstanding clauses (i) and (ii) and any provisions of any State law to the contrary, other than any such State's law providing for creation of a statutory lien, an outright sale of loans made under this part shall be effective and perfected automatically upon attachment as defined in the Uniform Commercial Code of such State.

(2) COMMON DEFERMENT FORM.—The Secretary, in cooperation with representatives of guaranty agencies, institutions of higher education, and lenders involved in loans made under part B of this title, shall prescribe a common deferment reporting form to be used for the processing of deferments of loans made under this title.

(3) COMMON REPORTING FORMATS.—The Secretary shall promulgate standards including necessary rules, regulations (including the definitions of all relevant terms), and procedures so as to require all lenders and guaranty agencies to report information on all aspects of loans made under this part in uniform formats, so as to permit the direct comparison of data submitted by individual lenders, servicers, or guaranty agencies.

(4) ELECTRONIC FORMS.—Nothing in this section shall be construed to limit the development and use of electronic forms and procedures.

(n) DEFAULT REDUCTION MANAGEMENT.—

(1) AUTHORIZATION.—There are authorized to be appropriated $25,000,000 for fiscal year 1999 and each of the four succeeding fiscal years, for the Secretary to expend for default reduction management activities for the purposes of establishing a performance measure that will reduce defaults by 5 percent relative to the prior fiscal year. Such funds shall be in addition to, and not in lieu of, other appropriations made for such purposes.

(2) ALLOWABLE ACTIVITIES.—Allowable activities for which such funds shall be expended by the Secretary shall include the following: (A) program reviews; (B) audits; (C) debt management programs; (D) training activities; and (E) such other management improvement activities approved by the Secretary.

(3) PLAN FOR USE REQUIRED.—The Secretary shall submit a plan, for inclusion in the materials accompanying the President's budget each fiscal year, detailing the expenditure of funds authorized by this section to accomplish the 5 percent reduction in defaults. At the conclusion of the fiscal year, the Secretary shall report the Secretary's findings and activities concerning the expenditure of funds and whether the performance measure was met. If the performance measure was not met, the Secretary shall report the following:

(A) why the goal was not met, including an indication of any managerial deficiencies or of any legal obstacles;

(B) plans and a schedule for achieving the established performance goal;

(C) recommended legislative or regulatory changes necessary to achieve the goal; and

(D) if the performance standard or goal is impractical or infeasible, why that is the case and what action is rec-

ommended, including whether the goal should be changed or the program altered or eliminated.

This report shall be submitted to the Appropriations Committees of the House of Representatives and the Senate and to the authorizing committees.

(o) CONSEQUENCES OF GUARANTY AGENCY INSOLVENCY.—In the event that the Secretary has determined that a guaranty agency is unable to meet its insurance obligations under this part, the holder of loans insured by the guaranty agency may submit insurance claims directly to the Secretary and the Secretary shall pay to the holder the full insurance obligation of the guaranty agency, in accordance with insurance requirements no more stringent than those of the guaranty agency. Such arrangements shall continue until the Secretary is satisfied that the insurance obligations have been transferred to another guarantor who can meet those obligations or a successor will assume the outstanding insurance obligations.

(p) REPORTING REQUIREMENT.—All officers and directors, and those employees and paid consultants of eligible institutions, eligible lenders, guaranty agencies, loan servicing agencies, accrediting agencies or associations, State licensing agencies or boards, and entities acting as secondary markets (including the Student Loan Marketing Association), who are engaged in making decisions as to the administration of any program or funds under this title or as to the eligibility of any entity or individual to participate under this title, shall report to the Secretary, in such manner and at such time as the Secretary shall require, on any financial interest which such individual may hold in any other entity participating in any program assisted under this title.

SEC. 433. STUDENT LOAN INFORMATION BY ELIGIBLE LENDERS.

(a) REQUIRED DISCLOSURE BEFORE DISBURSEMENT.—Each eligible lender, at or prior to the time such lender disburses a loan that is insured or guaranteed under this part (other than a loan made under section 428C), shall provide thorough and accurate loan information on such loan to the borrower in simple and understandable terms. Any disclosure required by this subsection may be made by an eligible lender by written or electronic means, including as part of the application material provided to the borrower, as part of the promissory note evidencing the loan, or on a separate written form provided to the borrower. Each lender shall provide to each borrower a telephone number, and may provide an electronic address, through which additional loan information can be obtained. The disclosure shall include—

(1) a statement prominently and clearly displayed and in bold print that the borrower is receiving a loan that must be repaid;

(2) the name of the eligible lender, and the address to which communications and payments should be sent;

(3) the principal amount of the loan;

(4) the amount of any charges, such as the origination fee and Federal default fee, and whether those fees will be—

(A) collected by the lender at or prior to the disbursal of the loan;

(B) deducted from the proceeds of the loan;

(C) paid separately by the borrower; or

(D) paid by the lender;

(5) the stated interest rate on the loan;

(6) for loans made under section 428H or to a student borrower under section 428B, an explanation—

(A) that the borrower has the option to pay the interest that accrues on the loan while the borrower is a student at an institution of higher education; and

(B) if the borrower does not pay such interest while attending an institution, when and how often interest on the loan will be capitalized;

(7) for loans made to a parent borrower on behalf of a student under section 428B, an explanation—

(A) that the parent has the option to defer payment on the loan while the student is enrolled on at least a half-time basis in an institution of higher education;

(B) if the parent does not pay the interest on the loan while the student is enrolled in an institution, when and how often interest on the loan will be capitalized; and

(C) that the parent may be eligible for a deferment on the loan if the parent is enrolled on at least a half-time basis in an institution of higher education;

(8) the yearly and cumulative maximum amounts that may be borrowed;

(9) a statement of the total cumulative balance, including the loan being disbursed, owed by the borrower to that lender, and an estimate of the projected monthly payment, given such cumulative balance;

(10) an explanation of when repayment of the loan will be required and when the borrower will be obligated to pay interest that accrues on the loan;

(11) a description of the types of repayment plans that are available for the loan;

(12) a statement as to the minimum and maximum repayment terms which the lender may impose, and the minimum annual payment required by law;

(13) an explanation of any special options the borrower may have for loan consolidation or other refinancing of the loan;

(14) a statement that the borrower has the right to prepay all or part of the loan, at any time, without penalty;

(15) a statement summarizing circumstances in which repayment of the loan or interest that accrues on the loan may be deferred;

(16) a statement summarizing the circumstances in which a borrower may obtain forbearance on the loan;

(17) a description of the options available for forgiveness of the loan, and the requirements to obtain loan forgiveness;

(18) a definition of default and the consequences to the borrower if the borrower defaults, including a statement that the default will be reported to a consumer reporting agency; and

(19) an explanation of any cost the borrower may incur during repayment or in the collection of the loan, including fees that the borrower may be charged, such as late payment fees and collection costs.

(b) REQUIRED DISCLOSURE BEFORE REPAYMENT.—Each eligible lender shall, at or prior to the start of the repayment period on a

loan made, insured, or guaranteed under section 428, 428B, or 428H, disclose to the borrower by written or electronic means the information required under this subsection in simple and understandable terms. Each eligible lender shall provide to each borrower a telephone number, and may provide an electronic address, through which additional loan information can be obtained. The disclosure required by this subsection shall be made not less than 30 days nor more than 150 days before the first payment on the loan is due from the borrower. The disclosure shall include—

(1) the name of the eligible lender or loan servicer, and the address to which communications and payments should be sent;

(2) the scheduled date upon which the repayment period is to begin or the deferment period under section 428B(d)(1) is to end, as applicable;

(3) the estimated balance owed by the borrower on the loan or loans covered by the disclosure (including, if applicable, the estimated amount of interest to be capitalized) as of the scheduled date on which the repayment period is to begin or the deferment period under 428B(d)(1) is to end, as applicable;

(4) the stated interest rate on the loan or loans, or the combined interest rate of loans with different stated interest rates;

(5) information on loan repayment benefits offered for the loan or loans, including—

(A) whether the lender offers any benefits that are contingent on the repayment behavior of the borrower, such as—

(i) a reduction in interest rate if the borrower repays the loan by automatic payroll or checking account deduction;

(ii) a reduction in interest rate if the borrower makes a specified number of on-time payments; and

(iii) other loan repayment benefits for which the borrower could be eligible that would reduce the amount of repayment or the length of the repayment period;

(B) if the lender provides a loan repayment benefit—

(i) any limitations on such benefit;

(ii) explicit information on the reasons a borrower may lose eligibility for such benefit;

(iii) for a loan repayment benefit that reduces the borrower's interest rate—

(I) examples of the impact the interest rate reduction would have on the length of the borrower's repayment period and the amount of repayment; and

(II) upon the request of the borrower, the effect the reduction in interest rate would have with respect to the borrower's payoff amount and time for repayment; and

(iv) whether and how the borrower can regain eligibility for a benefit if a borrower loses a benefit;

(6) a description of all the repayment plans that are available to the borrower and a statement that the borrower may change from one plan to another during the period of repayment;

(7) the repayment schedule for all loans covered by the disclosure, including—

(A) the date the first installment is due; and

(B) the number, amount, and frequency of required payments, which shall be based on a standard repayment plan or, in the case of a borrower who has selected another repayment plan, on the repayment plan selected by the borrower;

(8) an explanation of any special options the borrower may have for loan consolidation or other refinancing of the loan and of the availability and terms of such other options;

(9) except as provided in subsection (d)—

(A) the projected total of interest charges which the borrower will pay on the loan or loans, assuming that the borrower makes payments exactly in accordance with the repayment schedule; and

(B) if the borrower has already paid interest on the loan or loans, the amount of interest paid;

(10) the nature of any fees which may accrue or be charged to the borrower during the repayment period;

(11) a statement that the borrower has the right to prepay all or part of the loan or loans covered by the disclosure at any time without penalty;

(12) a description of the options by which the borrower may avoid or be removed from default, including any relevant fees associated with such options; and

(13) additional resources, including nonprofit organizations, advocates, and counselors (including the ⟦Student Loan Ombudsman⟧ *Borrower Advocate* of the Department) of which the lender is aware, where borrowers may receive advice and assistance on loan repayment.

(c) SEPARATE NOTIFICATION.—Each eligible lender shall, at the time such lender notifies a borrower of approval of a loan which is insured or guaranteed under this part, provide the borrower with a separate notification which summarizes, in simple and understandable terms, the rights and responsibilities of the borrower with respect to the loan, including a statement of the consequences of defaulting on the loan and a statement that each borrower who defaults will be reported to a consumer reporting agency. The requirement of this subsection shall be in addition to the information required by subsection (a) of this section.

(d) SPECIAL DISCLOSURE RULES ON PLUS LOANS, AND UNSUBSIDIZED LOANS.—Loans made under sections 428B and 428H shall not be subject to the disclosure of projected monthly payment amounts required under subsection (b)(7) if the lender, in lieu of such disclosure, provides the borrower with sample projections of monthly repayment amounts, assuming different levels of borrowing and interest accruals resulting from capitalization of interest while the borrower, or the student on whose behalf the loan is made, is in school, in simple and understandable terms. Such sample projections shall disclose the cost to the borrower of—

(1) capitalizing the interest; and

(2) paying the interest as the interest accrues.

(e) REQUIRED DISCLOSURES DURING REPAYMENT.—

(1) PERTINENT INFORMATION ABOUT A LOAN PROVIDED ON A PERIODIC BASIS.—Each eligible lender shall provide the borrower of a loan made, insured, or guaranteed under this part with a bill or statement (as applicable) that corresponds to each payment installment time period in which a payment is due and that includes, in simple and understandable terms—

(A) the original principal amount of the borrower's loan;

(B) the borrower's current balance, as of the time of the bill or statement, as applicable;

(C) the interest rate on such loan;

(D) the total amount the borrower has paid in interest on the loan;

(E) the aggregate amount the borrower has paid for the loan, including the amount the borrower has paid in interest, the amount the borrower has paid in fees, and the amount the borrower has paid against the balance;

(F) a description of each fee the borrower has been charged for the most recently preceding installment time period;

(G) the date by which the borrower needs to make a payment in order to avoid additional fees and the amount of such payment and the amount of such fees;

(H) the lender's or loan servicer's address and toll-free phone number for payment and billing error purposes; and

(I) a reminder that the borrower has the option to change repayment plans, a list of the names of the repayment plans available to the borrower, a link to the appropriate page of the Department's website to obtain a more detailed description of the repayment plans, and directions for the borrower to request a change in repayment plan.

(2) INFORMATION PROVIDED TO A BORROWER HAVING DIFFICULTY MAKING PAYMENTS.—Each eligible lender shall provide to a borrower who has notified the lender that the borrower is having difficulty making payments on a loan made, insured, or guaranteed under this part with the following information in simple and understandable terms:

(A) A description of the repayment plans available to the borrower, including how the borrower should request a change in repayment plan.

(B) A description of the requirements for obtaining forbearance on a loan, including expected costs associated with forbearance.

(C) A description of the options available to the borrower to avoid defaulting on the loan, and any relevant fees or costs associated with such options.

(3) REQUIRED DISCLOSURES DURING DELINQUENCY.—Each eligible lender shall provide to a borrower who is 60 days delinquent in making payments on a loan made, insured, or guaranteed under this part with a notice, in simple and understandable terms, of the following:

(A) The date on which the loan will default if no payment is made.

(B) The minimum payment the borrower must make to avoid default.

(C) A description of the options available to the borrower to avoid default, and any relevant fees or costs associated with such options, including a description of deferment and forbearance and the requirements to obtain each.

(D) Discharge options to which the borrower may be entitled.

(E) Additional resources, including nonprofit organizations, advocates, and counselors (including the [Student Loan Ombudsman] *Borrower Advocate* of the Department), of which the lender is aware, where the borrower can receive advice and assistance on loan repayment.

(f) COST OF DISCLOSURE AND CONSEQUENCES OF NONDISCLOSURE.—

(1) NO COST TO BORROWERS.—The information required under this section shall be available without cost to the borrower.

(2) CONSEQUENCES OF NONDISCLOSURE.—The failure of an eligible lender to provide information as required by this section shall not—

(A) relieve a borrower of the obligation to repay a loan in accordance with the loan's terms; or

(B) provide a basis for a claim for civil damages.

(3) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as subjecting the lender to the Truth in Lending Act with regard to loans made under this part.

(4) ACTIONS BY THE SECRETARY.—The Secretary may limit, suspend, or terminate the continued participation of an eligible lender in making loans under this part for failure by that lender to comply with this section.

* * * * * * *

SEC. 435. DEFINITIONS FOR STUDENT LOAN INSURANCE PROGRAM.

As used in this part:

(a) ELIGIBLE INSTITUTION.—

(1) IN GENERAL.—Except as provided in paragraph (2), the term "eligible institution" means an institution of higher education, as defined in section 102, except that, for the purposes of sections 427(a)(2)(C)(i) and 428(b)(1)(M)(i), an eligible institution includes any institution that is within this definition without regard to whether such institution is participating in any program under this title and includes any institution ineligible for participation in any program under this part pursuant to paragraph (2) of this subsection.

(2) INELIGIBILITY BASED ON HIGH DEFAULT RATES *BEFORE FISCAL YEAR 2018*.—(A) An institution whose cohort default rate is equal to or greater than the threshold percentage specified in subparagraph (B) for each of the three most recent fiscal years for which data are available shall not be eligible to participate in a program under this part for the fiscal year for which the determination is made and for the two succeeding fiscal years, unless, within 30 days of receiving notification from the Secretary of the loss of eligibility under this paragraph, the institution appeals the loss of its eligibility to the Secretary. The Secretary shall issue a decision on any such appeal within 45 days after its submission. Such decision may permit the insti-

tution to continue to participate in a program under this part if—

(i) the institution demonstrates to the satisfaction of the Secretary that the Secretary's calculation of its cohort default rate is not accurate, and that recalculation would reduce its cohort default rate for any of the three fiscal years below the threshold percentage specified in subparagraph (B);

(ii) there are exceptional mitigating circumstances within the meaning of paragraph (5); or

(iii) there are, in the judgment of the Secretary, other exceptional mitigating circumstances that would make the application of this paragraph inequitable.

If an institution continues to participate in a program under this part, and the institution's appeal of the loss of eligibility is unsuccessful, the institution shall be required to pay to the Secretary an amount equal to the amount of interest, special allowance, reinsurance, and any related payments made by the Secretary (or which the Secretary is obligated to make) with respect to loans made under this part to students attending, or planning to attend, that institution during the pendency of such appeal. During such appeal, the Secretary may permit the institution to continue to participate in a program under this part.

(B) For purposes of determinations under subparagraph (A), the threshold percentage is—

(i) 35 percent for fiscal year 1991 and 1992;

(ii) 30 percent for fiscal year 1993;

(iii) 25 percent for fiscal year 1994 through fiscal year 2011; and

(iv) 30 percent for fiscal year 2012 [and any succeeding fiscal year] *through fiscal year 2017*.

(C) Until July 1, 1999, this paragraph shall not apply to any institution that is—

(i) a part B institution within the meaning of section 322(2) of this Act;

(ii) a tribally controlled college or university, as defined in section 2(a)(4) of the Tribally Controlled Colleges and Universities Assistance Act of 1978; or

(iii) a Navajo Community College under the Navajo Community College Act.

(D) Notwithstanding the first sentence of subparagraph (A), the Secretary shall restore the eligibility to participate in a program under subpart 1 of part A, part B, or part D of an institution that did not appeal its loss of eligibility within 30 days of receiving notification if the Secretary determines, on a case-by-case basis, that the institution's failure to appeal was substantially justified under the circumstances, and that—

(i) the institution made a timely request that the appropriate guaranty agency correct errors in the draft data used to calculate the institution's cohort default rate;

(ii) the guaranty agency did not correct the erroneous data in a timely fashion; and

(iii) the institution would have been eligible if the erroneous data had been corrected by the guaranty agency.

(3) APPEALS FOR REGULATORY RELIEF.—An institution whose cohort default rate, calculated in accordance with subsection (m), is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv) for any two consecutive fiscal years may, not later than 30 days after the date the institution receives notification from the Secretary, file an appeal demonstrating exceptional mitigating circumstances, as defined in paragraph (5). The Secretary shall issue a decision on any such appeal not later than 45 days after the date of submission of the appeal. If the Secretary determines that the institution demonstrates exceptional mitigating circumstances, the Secretary may not subject the institution to provisional certification based solely on the institution's cohort default rate.

(4) APPEALS BASED UPON ALLEGATIONS OF IMPROPER LOAN SERVICING.—An institution that—

(A) is subject to loss of eligibility for the Federal Family Education Loan Program pursuant to paragraph (2)(A) of this subsection;

(B) is subject to loss of eligibility for the Federal Supplemental Loans for Students pursuant to section 428A(a)(2); or

(C) is an institution whose cohort default rate equals or exceeds 20 percent for the most recent year for which data are available;

may include in its appeal of such loss or rate a defense based on improper loan servicing (in addition to other defenses). In any such appeal, the Secretary shall take whatever steps are necessary to ensure that such institution has access for a reasonable period of time, not to exceed 30 days, to a representative sample (as determined by the Secretary) of the relevant loan servicing and collection records used by a guaranty agency in determining whether to pay a claim on a defaulted loan or by the Department in determining an institution's default rate in the loan program under part D of this title. The Secretary shall reduce the institution's cohort default rate to reflect the percentage of defaulted loans in the representative sample that are required to be excluded pursuant to subsection (m)(1)(B).

(5) DEFINITION OF MITIGATING CIRCUMSTANCES.—(A) For purposes of this subsection, an institution of higher education shall be treated as having exceptional mitigating circumstances that make application of paragraph (2) inequitable, and that provide for regulatory relief under paragraph (3), if such institution, in the opinion of an independent auditor, meets the following criteria:

(i) For a 12-month period that ended during the 6 months immediately preceding the fiscal year for which the cohort of borrowers used to calculate the institution's cohort default rate is determined, at least two-thirds of the students enrolled on at least a half-time basis at the institution—

(I) are eligible to receive a Federal Pell Grant award that is at least equal to one-half the Federal Pell Grant amount, determined under section 401(b)(2)(A), for which a student would be eligible based on the student's enrollment status; or

(II) have an adjusted gross income that when added with the adjusted gross income of the student's parents (unless the student is an independent student), of less than the poverty level, as determined by the Department of Health and Human Services.

(ii) In the case of an institution of higher education that offers an associate, baccalaureate, graduate or professional degree, 70 percent or more of the institution's regular students who were initially enrolled on a full-time basis and were scheduled to complete their programs during the same 12-month period described in clause (i)—

(I) completed the educational programs in which the students were enrolled;

(II) transferred from the institution to a higher level educational program;

(III) at the end of the 12-month period, remained enrolled and making satisfactory progress toward completion of the student's educational programs; or

(IV) entered active duty in the Armed Forces of the United States.

(iii)(I) In the case of an institution of higher education that does not award a degree described in clause (ii), had a placement rate of 44 percent or more with respect to the institution's former regular students who—

(aa) remained in the program beyond the point the students would have received a 100 percent tuition refund from the institution;

(bb) were initially enrolled on at least a half-time basis; and

(cc) were originally scheduled, at the time of enrollment, to complete their educational programs during the same 12-month period described in clause (i).

(II) The placement rate shall not include students who are still enrolled and making satisfactory progress in the educational programs in which the students were originally enrolled on the date following 12 months after the date of the student's last date of attendance at the institution.

(III) The placement rate is calculated by determining the percentage of all those former regular students who—

(aa) are employed, in an occupation for which the institution provided training, on the date following 12 months after the date of their last day of attendance at the institution;

(bb) were employed, in an occupation for which the institution provided training, for at least 13 weeks before the date following 12 months after the date of their last day of attendance at the institution; or

(cc) entered active duty in the Armed Forces of the United States.

(IV) The placement rate shall not include as placements a student or former student for whom the institution is the employer.

(B) For purposes of determining a rate of completion and a placement rate under this paragraph, a student is originally

scheduled, at the time of enrollment, to complete the educational program on the date when the student will have been enrolled in the program for the amount of time normally required to complete the program. The amount of time normally required to complete the program for a student who is initially enrolled full-time is the period of time specified in the institution's enrollment contract, catalog, or other materials, for completion of the program by a full-time student. For a student who is initially enrolled less than full-time, the period is the amount of time it would take the student to complete the program if the student remained enrolled at that level of enrollment throughout the program.

(6) REDUCTION OF DEFAULT RATES AT CERTAIN MINORITY INSTITUTIONS.—

(A) BENEFICIARIES OF EXCEPTION REQUIRED TO ESTABLISH MANAGEMENT PLAN.—After July 1, 1999, any institution that has a cohort default rate that equals or exceeds 25 percent for each of the three most recent fiscal years for which data are available and that relies on the exception in subparagraph (B) to continue to be an eligible institution shall—

(i) submit to the Secretary a default management plan which the Secretary, in the Secretary's discretion, after consideration of the institution's history, resources, dollars in default, and targets for default reduction, determines is acceptable and provides reasonable assurance that the institution will, by July 1, 2004, have a cohort default rate that is less than 25 percent;

(ii) engage an independent third party (which may be paid with funds received under section 317 or part B of title III) to provide technical assistance in implementing such default management plan; and

(iii) provide to the Secretary, on an annual basis or at such other intervals as the Secretary may require, evidence of cohort default rate improvement and successful implementation of such default management plan.

(B) DISCRETIONARY ELIGIBILITY CONDITIONED ON IMPROVEMENT.—Notwithstanding the expiration of the exception in paragraph (2)(C), the Secretary may, in the Secretary's discretion, continue to treat an institution described in subparagraph (A) of this paragraph as an eligible institution for each of the 1-year periods beginning on July 1 of 1999 through 2003, only if the institution submits by the beginning of such period evidence satisfactory to the Secretary that—

(i) such institution has complied and is continuing to comply with the requirements of subparagraph (A); and

(ii) such institution has made substantial improvement, during each of the preceding 1-year periods, in the institution's cohort default rate.

(7) DEFAULT PREVENTION AND ASSESSMENT OF ELIGIBILITY BASED ON HIGH DEFAULT RATES.—

(A) FIRST YEAR.—

(i) IN GENERAL.—An institution whose cohort default rate is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv) in any fiscal year shall establish a default prevention task force to prepare a plan to—

(I) identify the factors causing the institution's cohort default rate to exceed such threshold;

(II) establish measurable objectives and the steps to be taken to improve the institution's cohort default rate; and

(III) specify actions that the institution can take to improve student loan repayment, including appropriate counseling regarding loan repayment options.

(ii) TECHNICAL ASSISTANCE.—Each institution subject to this subparagraph shall submit the plan under clause (i) to the Secretary, who shall review the plan and offer technical assistance to the institution to promote improved student loan repayment.

(iii) DEFAULT MANAGEMENT PLAN.—The default management plan required under clause (i) may not include placing students in forbearance as a means of reducing the cohort default rate or the adjusted cohort default rate of the institution.

(B) SECOND CONSECUTIVE YEAR.—

(i) IN GENERAL.—An institution whose cohort default rate is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv) for two consecutive fiscal years, shall require the institution's default prevention task force established under subparagraph (A) to review and revise the plan required under such subparagraph, and shall submit such revised plan to the Secretary.

(ii) REVIEW BY THE SECRETARY.—The Secretary shall review each revised plan submitted in accordance with this subparagraph, and may direct that such plan be amended to include actions, with measurable objectives, that the Secretary determines, based on available data and analyses of student loan defaults, will promote student loan repayment.

(8) PARTICIPATION RATE INDEX.—

(A) IN GENERAL.—An institution that demonstrates to the Secretary that the institution's participation rate index is equal to or less than 0.0375 for any of the 3 most recent fiscal years for which data is available shall not be subject to paragraph (2). The participation rate index shall be determined by multiplying the institution's cohort default rate for loans under part B or D, or weighted average cohort default rate for loans under parts B and D, by the percentage of the institution's regular students, enrolled on at least a half-time basis, who received a loan made under part B or D for a 12-month period ending during the 6 months immediately preceding the fiscal year for which

the cohort of borrowers used to calculate the institution's cohort default rate is determined.

(B) DATA.—An institution shall provide the Secretary with sufficient data to determine the institution's participation rate index within 30 days after receiving an initial notification of the institution's draft cohort default rate.

(C) NOTIFICATION.—Prior to publication of a final cohort default rate for an institution that provides the data described in subparagraph (B), the Secretary shall notify the institution of the institution's compliance or noncompliance with subparagraph (A).

(9) INELIGIBILITY BASED ON HIGH ADJUSTED COHORT DEFAULT RATES.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) and (D), beginning on the date that is one year after the date on which the final adjusted cohort default rates are published by the Secretary for not less than 3 fiscal years, in a case in which one of the following determinations is made with respect to an institution, such institution shall be ineligible to participate in a program under this title for the fiscal year for which the determination is made and for the two succeeding fiscal years:

(i) The institution's adjusted cohort default rate is greater than 20 percent for each of the 3 most recent fiscal years for which the final adjusted cohort default rates are published.

(ii) With respect to the 6 most recent fiscal years for which the final adjusted cohort default rates are published—

(I) the institution's adjusted cohort default rate is greater than 15 percent for each such fiscal year; and

(II) the Secretary determines that, during such 6-year period, the institution has not made adequate progress in meeting standards for student achievement established by the relevant accrediting agency or association pursuant to section 496(a)(5)(A).

(iii) With respect to the 8 most recent fiscal years for which the final adjusted cohort default rates are published—

(I) the institution's adjusted cohort default rate is greater than 10 percent for each such fiscal year; and

(II) the Secretary determines that, during such 8-year period, the institution has not made adequate progress in meeting standards for student achievement established by the relevant accrediting agency or association pursuant to section 496(a)(5)(A).

(B) EXCEPTIONS FOR CERTAIN CATEGORIES OF EDUCATIONAL PROGRAMS.—With respect to an institution that loses eligibility to participate in a program under this title in accordance with subparagraph (A)(ii), such institution may request and be granted an exception to such loss of eli-

gibility for a category of educational programs at such institution by demonstrating to the Secretary that the adjusted cohort default rate for the category of educational programs is 15 percent or less for each fiscal year of the 6-year period on which such loss of eligibility for the institution is based.

(C) DETERMINATION OF THE ADJUSTED COHORT RATE FOR A CATEGORY OF EDUCATIONAL PROGRAMS.—In determining the adjusted cohort default rate for a category of educational programs for purposes of this paragraph—

(i) subsection (m) shall be applied—

(I) in paragraph (1)—

(aa) in subparagraph (A), by substituting "received for enrollment in the category of educational programs for which such rate is being determined" for "received for attendance at the institution"; and

(bb) in subparagraph (E)(i)(II), by substituting, "percentage of students enrolled in the category of educational programs for which such rate is being determined" for "percentage of students enrolled at the institution"; and

(II) as if the following were added at the end of paragraph (2):

"(E) In the case of a student who has received a loan for enrollment in more than one category of educational programs, the student (and such student's subsequent repayment or default) is attributed to the last category of educational programs in which such student was enrolled.".

(D) TRANSITION EXCEPTION.—

(i) IN GENERAL.—A covered institution with an adjusted cohort default rate that is greater than 20 percent for the first fiscal year for which such rates are published by the Secretary may request that any determination of such institution's ineligibility under paragraph (9)(A) not be based on the adjusted cohort default rate of such institution for any or all of the first 3 fiscal years for which such rates are published by the Secretary.

(ii) REQUIREMENT.—To be granted a request under clause (i), an institution shall submit to the Secretary a default management plan as specified in paragraph (7).

(iii) DEFINITION OF COVERED INSTITUTION.—In this subparagraph, the term "covered institution" means—

(I) a public institution of higher education;

(II) a part B institution (as defined in section 322); or

(III) a private, nonprofit institution of higher education at which not less than 45 percent of the total student enrollment consists of low-income students (as such term is defined in section 419N(b)(7)).

(E) CATEGORY OF EDUCATIONAL PROGRAMS DEFINED.—The term "category of educational programs", when used with respect to an institution, means one of the following:

(i) The educational programs at the institution leading to an undergraduate, non-degree credential.

(ii) The educational programs at the institution leading to an associate's degree.

(iii) The educational programs at the institution leading to a bachelor's degree.

(iv) The educational programs at the institution leading to a graduate, non-degree credential.

(v) The educational program at the institution leading to a graduate degree.

(10) APPLICATION OF ADJUSTED COHORT DEFAULT RATE.—Beginning on the date on which the final adjusted cohort default rates are published by the Secretary for not less than 3 fiscal years—

(A) paragraph (1) shall be applied by substituting "paragraph (9)" for "paragraph (2)".

(B) paragraph (3) shall be applied by substituting "adjusted cohort default rate, calculated in accordance with subsection (m)(1)(D), is greater than 20 percent for any 3 consecutive fiscal years" for "cohort default rate, calculated in accordance with subsection (m), is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv) for any two consecutive fiscal years";

(C) paragraph (4) shall be applied—

(i) in subparagraph (C), by substituting "adjusted cohort default rate is greater than 15 percent" for "cohort default rate equals or exceeds 20 percent"; and

(ii) in the matter following subparagraph (C), by substituting "adjusted cohort default rate to reflect the percentage of defaulted loans in the representative sample that are required to be excluded pursuant to subsection (m)(1)(B)" for "cohort default rate to reflect the percentage of defaulted loans in the representative sample that are required to be excluded pursuant to subsection (m)(1)(B)";

(D) paragraph (5)(A) shall be applied by substituting "paragraph (9)" for "paragraph (2)"; and

(E) paragraph (7) shall be applied—

(i) in subparagraph (A)(i)—

(I) in the matter preceding subclause (I), by substituting "adjusted cohort default rate is greater than 20 percent" for "cohort default rate is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv)"; and

(II) in subclauses (I) and (II), by substituting "adjusted cohort default rate" for "cohort default rate"; and

(ii) in subparagraph (B)(i), by substituting "adjusted cohort default rate is greater than 20 percent" for "cohort default rate is equal to or greater than the threshold percentage specified in paragraph (2)(B)(iv)".

(d) ELIGIBLE LENDER.—

(1) IN GENERAL.—Except as provided in paragraphs (2) through (6), the term "eligible lender" means—

(A) a National or State chartered bank, a mutual savings bank, a savings and loan association, a stock savings bank, or a credit union which—

(i) is subject to examination and supervision by an agency of the United States or of the State in which its principal place of operation is established, and

(ii) does not have as its primary consumer credit function the making or holding of loans made to students under this part unless (I) it is a bank which is wholly owned by a State, or a bank which is subject to examination and supervision by an agency of the United States, makes student loans as a trustee pursuant to an express trust, operated as a lender under this part prior to January 1, 1975, and which meets the requirements of this provision prior to the enactment of the Higher Education Amendments of 1992, (II) it is a single wholly owned subsidiary of a bank holding company which does not have as its primary consumer credit function the making or holding of loans made to students under this part, (III) it is a bank (as defined in section 3(a)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1813(a)(1)) that is a wholly owned subsidiary of a nonprofit foundation, the foundation is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code, and the bank makes loans under this part only to undergraduate students who are age 22 or younger and has a portfolio of such loans that is not more than $5,000,000, or (IV) it is a National or State chartered bank, or a credit union, with assets of less than $1,000,000,000;

(B) a pension fund as defined in the Employee Retirement Income Security Act;

(C) an insurance company which is subject to examination and supervision by an agency of the United States or a State;

(D) in any State, a single agency of the State or a single nonprofit private agency designated by the State;

(E) an eligible institution which meets the requirements of paragraphs (2) through (5) of this subsection;

(F) for purposes only of purchasing and holding loans made by other lenders under this part, the Student Loan Marketing Association or the Holding Company of the Student Loan Marketing Association, including any subsidiary of the Holding Company, created pursuant to section 440, or an agency of any State functioning as a secondary market;

(G) for purposes of making loans under sections 428B(d) and 428C, the Student Loan Marketing Association or the Holding Company of the Student Loan Marketing Association, including any subsidiary of the Holding Company, created pursuant to section 440;

(H) for purposes of making loans under sections 428(h) and 428(j), a guaranty agency;

(I) a Rural Rehabilitation Corporation, or its successor agency, which has received Federal funds under Public Law 499, Eighty-first Congress (64 Stat. 98 (1950));

(J) for purpose of making loans under section 428C, any nonprofit private agency functioning in any State as a secondary market; and

(K) a consumer finance company subsidiary of a national bank which, as of the date of enactment of this subparagraph, through one or more subsidiaries: (i) acts as a small business lending company, as determined under regulations of the Small Business Administration under section 120.470 of title 13, Code of Federal Regulations (as such section is in effect on the date of enactment of this subparagraph); and (ii) participates in the program authorized by this part pursuant to subparagraph (C), provided the national bank and all of the bank's direct and indirect subsidiaries taken together as a whole, do not have, as their primary consumer credit function, the making or holding of loans made to students under this part.

(2) REQUIREMENTS FOR ELIGIBLE INSTITUTIONS.—

(A) IN GENERAL.—To be an eligible lender under this part, an eligible institution—

(i) shall employ at least one person whose full-time responsibilities are limited to the administration of programs of financial aid for students attending such institution;

(ii) shall not be a home study school;

(iii) shall not—

(I) make a loan to any undergraduate student;

(II) make a loan other than a loan under section 428 or 428H to a graduate or professional student; or

(III) make a loan to a borrower who is not enrolled at that institution;

(iv) shall award any contract for financing, servicing, or administration of loans under this title on a competitive basis;

(v) shall offer loans that carry an origination fee or an interest rate, or both, that are less than such fee or rate authorized under the provisions of this title;

(vi) shall not have a cohort default rate (as defined in subsection (m)) greater than 10 percent;

(vii) shall, for any year for which the institution engages in activities as an eligible lender, provide for a compliance audit conducted in accordance with section 428(b)(1)(U)(iii)(I), and the regulations thereunder, and submit the results of such audit to the Secretary;

(viii) shall use any proceeds from special allowance payments and interest payments from borrowers, interest subsidies received from the Department of Education, and any proceeds from the sale or other disposition of loans, for need-based grant programs; and

(ix) shall have met the requirements of subparagraphs (A) through (F) of this paragraph as in effect on the day before the date of enactment of the Higher Education Reconciliation Act of 2005, and made loans under this part, on or before April 1, 2006.

(B) ADMINISTRATIVE EXPENSES.—An eligible lender under subparagraph (A) shall be permitted to use a portion of the proceeds described in subparagraph (A)(viii) for reasonable and direct administrative expenses.

(C) SUPPLEMENT, NOT SUPPLANT.—An eligible lender under subparagraph (A) shall ensure that the proceeds described in subparagraph (A)(viii) are used to supplement, and not to supplant, non-Federal funds that would otherwise be used for need-based grant programs.

(3) DISQUALIFICATION FOR HIGH DEFAULT RATES.—The term "eligible lender" does not include any eligible institution in any fiscal year immediately after the fiscal year in which the Secretary determines, after notice and opportunity for a hearing, that for each of 2 consecutive years, 15 percent or more of the total amount of such loans as are described in section 428(a)(1) made by the institution with respect to students at that institution and repayable in each such year, are in default, as defined in subsection (m).

(4) WAIVER OF DISQUALIFICATION.—Whenever the Secretary determines that—

(A) there is reasonable possibility that an eligible institution may, within 1 year after a determination is made under paragraph (3), improve the collection of loans described in section 428(a)(1), so that the application of paragraph (3) would be a hardship to that institution, or

(B) the termination of the lender's status under paragraph (3) would be a hardship to the present or for prospective students of the eligible institution, after considering the management of that institution, the ability of that institution to improve the collection of loans, the opportunities that institution offers to economically disadvantaged students, and other related factors,

the Secretary shall waive the provisions of paragraph (3) with respect to that institution. Any determination required under this paragraph shall be made by the Secretary prior to the termination of an eligible institution as a lender under the exception of paragraph (3). Whenever the Secretary grants a waiver pursuant to this paragraph, the Secretary shall provide technical assistance to the institution concerned in order to improve the collection rate of such loans.

(5) DISQUALIFICATION FOR USE OF CERTAIN INCENTIVES.—The term "eligible lender" does not include any lender that the Secretary determines, after notice and opportunity for a hearing, has—

(A) offered, directly or indirectly, points, premiums, payments (including payments for referrals and for processing or finder fees), prizes, stock or other securities, travel, entertainment expenses, tuition payment or reimbursement, the provision of information technology equipment at below-market value, additional financial aid funds, or

other inducements, to any institution of higher education, any employee of an institution of higher education, or any individual or entity in order to secure applicants for loans under this part;

(B) conducted unsolicited mailings, by postal or electronic means, of student loan application forms to students enrolled in secondary schools or postsecondary institutions, or to family members of such students, except that applications may be mailed, by postal or electronic means, to students or borrowers who have previously received loans under this part from such lender;

(C) entered into any type of consulting arrangement, or other contract to provide services to a lender, with an employee who is employed in the financial aid office of an institution of higher education, or who otherwise has responsibilities with respect to student loans or other financial aid of the institution;

(D) compensated an employee who is employed in the financial aid office of an institution of higher education, or who otherwise has responsibilities with respect to student loans or other financial aid of the institution, and who is serving on an advisory board, commission, or group established by a lender or group of lenders for providing such service, except that the eligible lender may reimburse such employee for reasonable expenses incurred in providing such service;

(E) performed for an institution of higher education any function that such institution of higher education is required to perform under this title, except that a lender shall be permitted to perform functions on behalf of such institution in accordance with section 485(b) or 485(l);

(F) paid, on behalf of an institution of higher education, another person to perform any function that such institution of higher education is required to perform under this title, except that a lender shall be permitted to perform functions on behalf of such institution in accordance with section 485(b) or 485(l);

(G) provided payments or other benefits to a student at an institution of higher education to act as the lender's representative to secure applications under this title from individual prospective borrowers, unless such student—

(i) is also employed by the lender for other purposes; and

(ii) made all appropriate disclosures regarding such employment;

(H) offered, directly or indirectly, loans under this part as an inducement to a prospective borrower to purchase a policy of insurance or other product; or

(I) engaged in fraudulent or misleading advertising.

It shall not be a violation of this paragraph for a lender to provide technical assistance to institutions of higher education comparable to the kinds of technical assistance provided to institutions of higher education by the Department.

(6) REBATE FEE REQUIREMENT.—To be an eligible lender under this part, an eligible lender shall pay rebate fees in accordance with section 428C(f).

(7) ELIGIBLE LENDER TRUSTEES.—Notwithstanding any other provision of this subsection, an eligible lender may not make or hold a loan under this part as trustee for an institution of higher education, or for an organization affiliated with an institution of higher education, unless—

(A) the eligible lender is serving as trustee for that institution or organization as of the date of enactment of the Third Higher Education Extension Act of 2006 under a contract that was originally entered into before the date of enactment of such Act and that continues in effect or is renewed after such date; and

(B) the institution or organization, and the eligible lender, with respect to its duties as trustee, each comply on and after January 1, 2007, with the requirements of paragraph (2), except that—

(i) the requirements of clauses (i), (ii), (vi), and (viii) of paragraph (2)(A) shall, subject to clause (ii) of this subparagraph, only apply to the institution (including both an institution for which the lender serves as trustee and an institution affiliated with an organization for which the lender serves as trustee);

(ii) in the case of an organization affiliated with an institution—

(I) the requirements of clauses (iii) and (v) of paragraph (2)(A) shall apply to the organization; and

(II) the requirements of clause (viii) of paragraph (2)(A) shall apply to the institution or the organization (or both), if the institution or organization receives (directly or indirectly) the proceeds described in such clause;

(iii) the requirements of clauses (iv) and (ix) of paragraph (2)(A) shall not apply to the eligible lender, institution, or organization; and

(iv) the eligible lender, institution, and organization shall ensure that the loans made or held by the eligible lender as trustee for the institution or organization, as the case may be, are included in a compliance audit in accordance with clause (vii) of paragraph (2)(A).

(8) SCHOOL AS LENDER PROGRAM AUDIT.—Each institution serving as an eligible lender under paragraph (1)(E), and each eligible lender serving as a trustee for an institution of higher education or an organization affiliated with an institution of higher education, shall annually complete and submit to the Secretary a compliance audit to determine whether—

(A) the institution or lender is using all proceeds from special allowance payments and interest payments from borrowers, interest subsidies received from the Department, and any proceeds from the sale or other disposition of loans, for need-based grant programs, in accordance with paragraph (2)(A)(viii);

(B) the institution or lender is using not more than a reasonable portion of the proceeds described in paragraph (2)(A)(viii) for direct administrative expenses; and

(C) the institution or lender is ensuring that the proceeds described in paragraph (2)(A)(viii) are being used to supplement, and not to supplant, Federal and non-Federal funds that would otherwise be used for need-based grant programs.

(e) LINE OF CREDIT.—The term "line of credit" means an arrangement or agreement between the lender and the borrower whereby a loan is paid out by the lender to the borrower in annual installments, or whereby the lender agrees to make, in addition to the initial loan, additional loans in subsequent years.

(f) DUE DILIGENCE.—The term "due diligence" requires the utilization by a lender, in the servicing and collection of loans insured under this part, of servicing and collection practices at least as extensive and forceful as those generally practiced by financial institutions for the collection of consumer loans.

(i) HOLDER.—The term "holder" means an eligible lender who owns a loan.

(j) GUARANTY AGENCY.—The term "guaranty agency" means any State or nonprofit private institution or organization with which the Secretary has an agreement under section 428(b).

(k) INSURANCE BENEFICIARY.—The term "insurance beneficiary" means the insured or its authorized representative assigned in accordance with section 429(d).

(l) DEFAULT.—Except as provided in subsection (m), the term "default" includes only such defaults as have existed for (1) 270 days in the case of a loan which is repayable in monthly installments, or (2) 330 days in the case of a loan which is repayable in less frequent installments.

(m) COHORT DEFAULT RATE.—

(1) IN GENERAL.—(A) Except as provided in paragraph (2), the term "cohort default rate" means, for any fiscal year in which 30 or more current and former students at the institution enter repayment on loans under section 428, 428A, or 428H, received for attendance at the institution, the percentage of those current and former students who enter repayment on such loans (or on the portion of a loan made under section 428C that is used to repay any such loans) received for attendance at that institution in that fiscal year who default before the end of the second fiscal year following the fiscal year in which the students entered repayment. The Secretary shall require that each guaranty agency that has insured loans for current or former students of the institution afford such institution a reasonable opportunity (as specified by the Secretary) to review and correct errors in the information required to be provided to the Secretary by the guaranty agency for the purposes of calculating a cohort default rate for such institution, prior to the calculation of such rate.

(B) In determining the number of students who default before the end of such second fiscal year, the Secretary shall include only loans for which the Secretary or a guaranty agency

has paid claims for insurance. In considering appeals with respect to cohort default rates pursuant to subsection (a)(3), the Secretary shall exclude, from the calculation of the number of students who entered repayment and from the calculation of the number of students who default, any loans which, due to improper servicing or collection, would, as demonstrated by the evidence submitted in support of the institution's timely appeal to the Secretary, result in an inaccurate or incomplete calculation of such cohort default rate.

(C) For any fiscal year in which fewer than 30 of the institution's current and former students enter repayment, the term "cohort default rate" means the percentage of such current and former students who entered repayment on such loans (or on the portion of a loan made under section 428C that is used to repay any such loans) in any of the three most recent fiscal years, who default before the end of the second fiscal year following the year in which they entered repayment.

(D)(i) With respect to a cohort default rate calculated for an institution under this paragraph for fiscal year 2018 and for each succeeding fiscal year, such cohort default rate shall be adjusted as follows:

(I) In determining the number of current and former students at an institution who enter repayment for such fiscal year—

(aa) any such student who is in nonmandatory forbearance for such fiscal year for a period of greater than 18 months but less than 36 months shall not be counted as entering repayment for such fiscal year;

(bb) such a student shall be counted as entering repayment for the first fiscal year for which the student ceases to be in a period of forbearance and otherwise meets the requirements for being in repayment; and

(cc) any such student who is in a period of forbearance for 3 or more years shall be counted as in default and included in the institution's total number of students in default.

(II) Such rate shall be multiplied by the percentage of students enrolled at the institution for such fiscal year who are borrowing a loan under part D of this title.

(ii) The result obtained under this subparagraph for an institution shall be referred to in this Act as the "adjusted cohort default rate".

(2) SPECIAL RULES.—(A) In the case of a student who has attended and borrowed at more than one school, the student (and such student's subsequent repayment or default) is attributed to each school for attendance at which the student received a loan that entered repayment in the fiscal year.

(B) A loan on which a payment is made by the school, such school's owner, agent, contractor, employee, or any other entity or individual affiliated with such school, in order to avoid default by the borrower, is considered as in default for purposes of this subsection.

(C) Any loan which has been rehabilitated before the end of the second fiscal year following the year in which the loan entered repayment is not considered as in default for purposes of

this subsection. The Secretary may require guaranty agencies to collect data with respect to defaulted loans in a manner that will permit the identification of any defaulted loan for which (i) the borrower is currently making payments and has made not less than 6 consecutive on-time payments by the end of such second fiscal year, and (ii) a guaranty agency has renewed the borrower's title IV eligibility as provided in section 428F(b).

(D) For the purposes of this subsection, a loan made in accordance with section 428A (or the portion of a loan made under section 428C that is used to repay a loan made under section 428A) shall not be considered to enter repayment until after the borrower has ceased to be enrolled in a course of study leading to a degree or certificate at an eligible institution on at least a half-time basis (as determined by the institution) and ceased to be in a period of forbearance based on such enrollment. Each eligible lender of a loan made under section 428A (or a loan made under section 428C a portion of which is used to repay a loan made under section 428A) shall provide the guaranty agency with the information necessary to determine when the loan entered repayment for purposes of this subsection, and the guaranty agency shall provide such information to the Secretary.

(3) REGULATIONS TO PREVENT EVASIONS.—The Secretary shall prescribe regulations designed to prevent an institution from evading the application to that institution of a default rate determination under this subsection through the use of such measures as branching, consolidation, change of ownership or control, or any similar device.

(4) COLLECTION AND REPORTING OF COHORT DEFAULT RATES AND LIFE OF COHORT DEFAULT RATES.—(A) The Secretary shall publish not less often than once every fiscal year a report showing cohort default data and life of cohort default rates for each category of institution, including: (i) four-year public institutions; (ii) four-year private nonprofit institutions; (iii) two-year public institutions; (iv) two-year private nonprofit institutions; (v) four-year proprietary institutions; (vi) two-year proprietary institutions; and (vii) less than two-year proprietary institutions. For purposes of this subparagraph, for any fiscal year in which one or more current and former students at an institution enter repayment on loans under section 428, 428B, or 428H, received for attendance at the institution, the Secretary shall publish the percentage of those current and former students who enter repayment on such loans (or on the portion of a loan made under section 428C that is used to repay any such loans) received for attendance at the institution in that fiscal year who default before the end of each succeeding fiscal year.

(B) The Secretary may designate such additional subcategories within the categories specified in subparagraph (A) as the Secretary deems appropriate.

(C) The Secretary shall publish not less often than once every fiscal year a report showing default data for each institution for which a cohort default rate is calculated under this subsection.

(D) The Secretary shall publish the report described in subparagraph (C) by September 30 of each year.

(5) ADJUSTED COHORT DEFAULT RATES Beginning on the date on which the final adjusted cohort default rates for fiscal year 2018 are made available for publication by the Secretary, paragraph (4) shall be applied by substituting "adjusted cohort default" for "cohort default" each place it appears.

(o) ECONOMIC HARDSHIP.—

(1) IN GENERAL.—For purposes of this part and part E, a borrower shall be considered to have an economic hardship if—

(A) such borrower is working full-time and is earning an amount which does not exceed the greater of—

(i) the minimum wage rate described in section 6 of the Fair Labor Standards Act of 1938; or

(ii) an amount equal to 150 percent of the poverty line applicable to the borrower's family size as determined in accordance with section 673(2) of the Community Services Block Grant Act; or

(B) such borrower meets such other criteria as are established by the Secretary by regulation in accordance with paragraph (2).

(2) CONSIDERATIONS.—In establishing criteria for purposes of paragraph (1)(B), the Secretary shall consider the borrower's income and debt-to-income ratio as primary factors.

(p) ELIGIBLE NOT-FOR-PROFIT HOLDER.—

(1) DEFINITION.—Subject to the limitations in paragraph (2) and the prohibition in paragraph (3), the term "eligible not-for-profit holder" means an eligible lender under subsection (d) (except for an eligible lender described in subsection (d)(1)(E)) that requests a special allowance payment under section 438(b)(2)(I)(vi)(II) or a payment under section 781 and that is—

(A) a State, or a political subdivision, authority, agency, or other instrumentality thereof, including such entities that are eligible to issue bonds described in section 1.103–1 of title 26, Code of Federal Regulations, or section 144(b) of the Internal Revenue Code of 1986;

(B) an entity described in section 150(d)(2) of such Code that has not made the election described in section 150(d)(3) of such Code;

(C) an entity described in section 501(c)(3) of such Code; or

(D) acting as a trustee on behalf of a State, political subdivision, authority, agency, instrumentality, or other entity described in subparagraph (A), (B), or (C), regardless of whether such State, political subdivision, authority, agency, instrumentality, or other entity is an eligible lender under subsection (d).

(2) LIMITATIONS.—

(A) EXISTING ON DATE OF ENACTMENT.—

(i) IN GENERAL.—An eligible lender shall not be an eligible not-for-profit holder under this Act unless such lender—

(I) was a State, political subdivision, authority, agency, instrumentality, or other entity described in paragraph (1)(A), (B), or (C) that was, on the

date of the enactment of the College Cost Reduction and Access Act, acting as an eligible lender under subsection (d) (other than an eligible lender described in subsection (d)(1)(E)); or

(II) is acting as a trustee on behalf of a State, political subdivision, authority, agency, instrumentality, or other entity described in subparagraph (A), (B), or (C) of paragraph (1), regardless of whether such State, political subdivision, authority, agency, instrumentality, or other entity is an eligible lender under subsection (d), and such State, political subdivision, authority, agency, instrumentality, or other entity, on the date of enactment of the College Cost Reduction and Access Act, was the sole beneficial owner of a loan eligible for any special allowance payment under section 438.

(ii) EXCEPTION.—Notwithstanding clause (i), a State may elect, in accordance with regulations of the Secretary, to waive the requirements of this subparagraph for a new not-for-profit holder determined by the State to be necessary to carry out a public purpose of such State, except that a State may not make such election with respect the requirements of clause (i)(II).

(B) NO FOR-PROFIT OWNERSHIP OR CONTROL.—

(i) IN GENERAL.—No State, political subdivision, authority, agency, instrumentality, or other entity described in paragraph (1)(A), (B), or (C) shall be an eligible not-for-profit holder under this Act if such State, political subdivision, authority, agency, instrumentality, or other entity is owned or controlled, in whole or in part, by a for-profit entity.

(ii) TRUSTEES.—A trustee described in paragraph (1)(D) shall not be an eligible not-for-profit holder under this Act with respect to a State, political subdivision, authority, agency, instrumentality, or other entity described in subparagraph (A), (B), or (C) of paragraph (1), regardless of whether such State, political subdivision, authority, agency, instrumentality, or other entity is an eligible lender under subsection (d), if such State, political subdivision, authority, agency, instrumentality, or other entity is owned or controlled, in whole or in part, by a for-profit entity.

(C) SOLE OWNERSHIP OF LOANS AND INCOME.—No State, political subdivision, authority, agency, instrumentality, trustee, or other entity described in paragraph (1)(A), (B), (C), or (D) shall be an eligible not-for-profit holder under this Act with respect to any loan, or income from any loan, unless—

(i) such State, political subdivision, authority, agency, instrumentality, or other entity is the sole beneficial owner of such loan and the income from such loan; or

(ii) such trustee holds the loan on behalf of a State, political subdivision, authority, agency, instrumen-

tality, or other entity described in subparagraph (A), (B), or (C) of paragraph (1), regardless of whether such State, political subdivision, authority, agency, instrumentality, or other entity is an eligible lender under subsection (d), and such State, political subdivision, authority, agency, instrumentality, or other entity is the sole beneficial owner of such loan and the income from such loan.

(D) TRUSTEE COMPENSATION LIMITATIONS.—A trustee described in paragraph (1)(D) shall not receive compensation as consideration for acting as an eligible lender on behalf of a State, political subdivision, authority, agency, instrumentality, or other entity described in subparagraph (A), (B), or (C) of paragraph (1), regardless of whether such State, political subdivision, authority, agency, instrumentality, or other entity is an eligible lender under subsection (d), in excess of reasonable and customary fees.

(E) RULE OF CONSTRUCTION.—For purposes of subparagraphs (A), (B), (C), and (D) of this paragraph, a State, political subdivision, authority, agency, instrumentality, or other entity described in subparagraph (A), (B), or (C) of paragraph (1), regardless of whether such State, political subdivision, authority, agency, instrumentality, or other entity is an eligible lender under subsection (d), shall not—

(i) be deemed to be owned or controlled, in whole or in part, by a for-profit entity; or

(ii) lose its status as the sole owner of a beneficial interest in a loan and the income from a loan,

by such State, political subdivision, authority, agency, instrumentality, or other entity, or by the trustee described in paragraph (1)(D), granting a security interest in, or otherwise pledging as collateral, such loan, or the income from such loan, to secure a debt obligation for which such State, political subdivision, authority, agency, instrumentality, or other entity is the issuer of the debt obligation.

(3) PROHIBITION.—In the case of a loan for which the special allowance payment is calculated under section 438(b)(2)(I)(vi)(II) and that is sold by the eligible not-for-profit holder holding the loan to an entity that is not an eligible not-for-profit holder under this Act, the special allowance payment for such loan shall, beginning on the date of the sale, no longer be calculated under section 438(b)(2)(I)(vi)(II) and shall be calculated under section 438(b)(2)(I)(vi)(I) instead.

(4) REGULATIONS.—Not later than 1 year after the date of enactment of the College Cost Reduction and Access Act, the Secretary shall promulgate regulations in accordance with the provisions of this subsection.

* * * * * * *

SEC. 437. REPAYMENT BY THE SECRETARY OF LOANS OF BANKRUPT, DECEASED, OR DISABLED BORROWERS; TREATMENT OF BORROWERS ATTENDING SCHOOLS THAT FAIL TO PROVIDE A REFUND, ATTENDING CLOSED SCHOOLS, OR FALSELY CERTIFIED AS ELIGIBLE TO BORROW.

(a) REPAYMENT IN FULL FOR DEATH AND DISABILITY.—

(1) IN GENERAL.—If a student borrower who has received a loan described in subparagraph (A) or (B) of section 428(a)(1) dies or becomes permanently and totally disabled (as determined in accordance with regulations of the Secretary), or if a student borrower who has received such a loan is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months then the Secretary shall discharge the borrower's liability on the loan by repaying the amount owed on the loan. The Secretary may develop such safeguards as the Secretary determines necessary to prevent fraud and abuse in the discharge of liability under this subsection. Notwithstanding any other provision of this subsection, the Secretary may promulgate regulations to reinstate the obligation of, and resume collection on, loans discharged under this subsection in any case in which—

(A) a borrower received a discharge of liability under this subsection and after the discharge the borrower—

(i) receives a loan made, insured, or guaranteed under this title; or

(ii) has earned income in excess of the poverty line; or

(B) the Secretary determines the reinstatement and resumption to be necessary.

(2) DISABILITY DETERMINATIONS.—A borrower who has been determined by the Secretary of Veterans Affairs to be unemployable due to a service-connected condition and who provides documentation of such determination to the Secretary of Education, shall be considered permanently and totally disabled for the purpose of discharging such borrower's loans under this subsection, and such borrower shall not be required to present additional documentation for purposes of this subsection.

(3) AUTOMATIC INCOME MONITORING.—

(A) IN GENERAL.—Not later than 2 years after the date of enactment of the College Affordability Act, the Secretary shall establish and implement, with respect to any borrower described in subparagraph (B), procedures to—

(i) obtain (for each year of the income-monitoring period described in subparagraph (B) and without further action by the borrower) such information as is reasonably necessary regarding the income of such borrower for the purpose of determining the borrower's continued eligibility for the loan discharge described in subparagraph (B) for such year, and any other information necessary to determine such continued eligibility of the borrower for such year, except that in the case of a borrower whose returns and return information indicate that the borrower has no earned income for any year of such income-monitoring period, such borrower shall be treated as not having earned income in excess of the poverty line for such year subject to clause (ii);

(ii) allow the borrower, at any time, to opt out of clause (i) and prevent the Secretary from obtaining information under such clause without further action by the borrower; and

(iii) provide the borrower with an opportunity to update the information obtained under clause (i) before the determination of the borrower's continued eligibility for such loan discharge for such year.

(B) APPLICABILITY.—Subparagraph (A) shall apply—

(i) to each borrower of a covered loan (defined in section 455(d)(10)) that is discharged under this subsection or section 464(c)(1)(F) due to the permanent and total disability of the borrower; and

(ii) during the income-monitoring period under this subsection, defined in this paragraph as the period—

(I) beginning on the date on which such loan is so discharged; and

(II) during which the Secretary determines whether a reinstatement of the obligation of, and resumption of collection on, such loan may be necessary.

(b) PAYMENT OF CLAIMS ON LOANS IN BANKRUPTCY.—The Secretary shall pay to the holder of a loan described in section 428(a)(1) (A) or (B), 428A, 428B, 428C, or 428H, the amount of the unpaid balance of principal and interest owed on such loan—

(1) when the borrower files for relief under chapter 12 or 13 of title 11, United States Code;

(2) when the borrower who has filed for relief under chapter 7 or 11 of such title commences an action for a determination of dischargeability under section 523(a)(8)(B) of such title; or

(3) for loans described in section 523(a)(8)(A) of such title, when the borrower files for relief under chapter 7 or 11 of such title.

(c) DISCHARGE.—

(1) IN GENERAL.—If a borrower who received, on or after January 1, 1986, a loan made, insured, or guaranteed under this part and the student borrower, or the student on whose behalf a parent borrowed, is unable to complete the program in which such student is enrolled due to the closure of the institution or if such student's eligibility to borrow under this part was falsely certified by the eligible institution or was falsely certified as a result of a crime of identity theft, or if the institution failed to make a refund of loan proceeds which the institution owed to such student's lender, then the Secretary shall discharge the borrower's liability on the loan (including interest and collection fees) by repaying the amount owed on the loan and shall subsequently pursue any claim available to such borrower against the institution and its affiliates and principals or settle the loan obligation pursuant to the financial responsibility authority under subpart 3 of part H. In the case of a discharge based upon a failure to refund, the amount of the discharge shall not exceed that portion of the loan which should have been refunded. The Secretary shall report to the authorizing committees annually as to the dollar amount of loan discharges attributable to failures to make refunds.

(2) AUTOMATIC CLOSED SCHOOL DISCHARGE.—

(A) SECRETARIAL REQUIREMENTS.—With respect to a borrower described in subparagraph (B), the Secretary shall, without any further action by the borrower, discharge the borrower's liability on the loan described in subparagraph (B)(i).

(B) BORROWER REQUIREMENTS.—A borrower described in this subparagraph means a borrower who—

(i) receives a loan—

(I) made, insured, or guaranteed under this title for enrollment in a program that the borrower was unable to complete due to the closure of the institution; and

(II) for which the Secretary has not already discharged the borrower's liability on such loan pursuant to this subsection; and

(ii) as of the date that is 2 years after the closure of the institution, has not re-enrolled in an institution of higher education that participates in programs under this title.

[(2)**]** *(3)* ASSIGNMENT.—A borrower whose loan has been discharged pursuant to this subsection shall be deemed to have assigned to the United States the right to a loan refund up to the amount discharged against the institution and its affiliates and principals.

[(3)**]** *(4)* ELIGIBILITY FOR ADDITIONAL ASSISTANCE.—The period of a student's attendance at an institution at which the student was unable to complete a course of study due to the closing of the institution shall not be considered for purposes of calculating the student's period of eligibility for additional assistance under this title.

[(4)**]** *(5)* SPECIAL RULE.—A borrower whose loan has been discharged pursuant to this subsection shall not be precluded from receiving additional grants, loans, or work assistance under this title for which the borrower would be otherwise eligible (but for the default on such discharged loan). The amount discharged under this subsection shall be treated the same as loans under section 465(a)(5) of this title.

[(5)**]** *(6)* REPORTING.—The Secretary shall report to consumer reporting agencies with respect to loans which have been discharged pursuant to this subsection.

(d) REPAYMENT OF LOANS TO PARENTS.—**[**If a student**]**

(1) DEATH.—If a student on whose behalf a parent has received a loan described in section 428B dies, then the Secretary shall discharge the borrower's liability on the loan by repaying the amount owed on the loan.

(2) DISABILITY.—

(A) IN GENERAL.—The Secretary shall discharge a parent's liability on a loan described in section 428B by repaying the amount owed on the loan if the student on whose behalf the parent has received the loan—

(i) becomes permanently and totally disabled (as determined in accordance with regulations of the Secretary); or

(ii) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months.

(B) DISABILITY DETERMINATIONS.—Subsection (a)(2) shall apply to a disability determination under this paragraph in the same manner as such subsection applies to a determination under subsection (a)(1).

(C) SAFEGUARDS.—The safeguards to prevent fraud and abuse developed under subsection (a)(1) shall apply under this paragraph.

(D) REINSTATEMENT OF LOANS.—The Secretary may promulgate regulations to reinstate the obligation of, and resume collection on, loans discharged under this paragraph in cases in which the Secretary determines that the reinstatement and resumption is necessary and appropriate based upon the regulations developed under subsection (a)(1).

* * * * * * *

PART C—FEDERAL WORK-STUDY PROGRAMS

SEC. 441. PURPOSE; APPROPRIATIONS AUTHORIZED.

(a) PURPOSE.—The purpose of this part is to stimulate and promote the part-time employment of students who are enrolled as undergraduate, graduate, or professional students and who are in need of earnings from employment to pursue courses of study at eligible institutions, and to encourage students receiving Federal student financial assistance to participate in community service activities that will benefit the Nation and engender in the students a sense of social responsibility and commitment to the community.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this **[**part, such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.**]** *part—*

(1) $1,500,000,000 for fiscal year 2021;

(2) $1,750,000,000 for fiscal year 2022;

(3) $2,000,000,000 for fiscal year 2023;

(4) $2,250,000,000 for fiscal year 2024; and

(5) $2,500,000,000 for fiscal year 2025 and each succeeding fiscal year.

(c) COMMUNITY SERVICES.—For purposes of this part, the term "community services" means services which are identified by an institution of higher education, through formal or informal consultation with local nonprofit, governmental, and community-based organizations, as designed to improve the quality of life for community residents, particularly low-income individuals, or to solve particular problems related to their needs, including—

(1) such fields as health care, child care (including child care services provided on campus that are open and accessible to the community), *child development and early learning (including Head Start and Early Head Start programs carried out under the Head Start Act (42 U.S.C. 9831 et seq.)),* literacy

training, education (including tutorial services), welfare, social services, transportation, housing and neighborhood improvement, public safety, emergency preparedness and response, crime prevention and control, recreation, rural development, and community improvement;

(2) work in a project, as defined in section 101(20) of the National and Community Service Act of 1990 (42 U.S.C. 12511(20));

(3) support services to students with disabilities, including students with disabilities who are enrolled at the institution; [and]

(4) activities in which a student serves as a mentor for such purposes as—

(A) tutoring;

(B) supporting educational and recreational activities; and

(C) counseling, including career counseling[.]*; and*

(5) work-based learning designed to give students experience in any activity described in paragraph (1), (2), (3), or (4), without regard to whether credit is awarded.

(d) WORK-BASED LEARNING DEFINED.—For purposes of this part, the term "work-based learning" means sustained interactions with industry, community, or academic professionals in real workplace settings that shall—

(1) include on campus opportunities;

(2) foster in-depth, first-hand engagement with the tasks required of a given career field that are aligned to a student's field of study; and

(3) may include internships, fellowships, research assistant positions, teacher residencies, participation in cooperative education, and apprenticeships registered under the Act of August 16, 1937 (commonly known as the "National Apprenticeship Act"; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.).

[SEC. 442. ALLOCATION OF FUNDS.

[(a) ALLOCATION BASED ON PREVIOUS ALLOCATION.—(1) From the amount appropriated pursuant to section 441(b) for each fiscal year, the Secretary shall first allocate to each eligible institution for each succeeding fiscal year, an amount equal to 100 percent of the amount such institution received under subsections (a) and (b) for fiscal year 1999 (as such subsections were in effect with respect to allocations for such fiscal year).

[(2)(A) From the amount so appropriated, the Secretary shall next allocate to each eligible institution that began participation in the program under this part after fiscal year 1999 but is not a first or second time participant, an amount equal to the greater of—

[(i) $5,000; or

[(ii) 90 percent of the amount received and used under this part for the first year it participated in the program.

[(B) From the amount so appropriated, the Secretary shall next allocate to each eligible institution that began participation in the program under this part after fiscal year 1999 and is a first or second time participant, an amount equal to the greatest of—

[(i) $5,000;

[(ii) an amount equal to (I) 90 percent of the amount received and used under this part in the second preceding fiscal

year by eligible institutions offering comparable programs of instruction, divided by (II) the number of students enrolled at such comparable institutions in such fiscal year, multiplied by (III) the number of students enrolled at the applicant institution in such fiscal year; or

[(iii) 90 percent of the institution's allocation under this part for the preceding fiscal year.

[(C) Notwithstanding subparagraphs (A) and (B) of this paragraph, the Secretary shall allocate to each eligible institution which—

[(i) was a first-time participant in the program in fiscal year 2000 or any subsequent fiscal year, and

[(ii) received a larger amount under this subsection in the second year of participation,

an amount equal to 90 percent of the amount it received under this subsection in its second year of participation.

[(3)(A) If the amount appropriated for any fiscal year is less than the amount required to be allocated to all institutions under paragraph (1) of this subsection, then the amount of the allocation to each such institution shall be ratably reduced.

[(B) If the amount appropriated for any fiscal year is more than the amount required to be allocated to all institutions under paragraph (1) but less than the amount required to be allocated to all institutions under paragraph (2), then—

[(i) the Secretary shall allot the amount required to be allocated to all institutions under paragraph (1), and

[(ii) the amount of the allocation to each institution under paragraph (2) shall be ratably reduced.

[(C) If additional amounts are appropriated for any such fiscal year, such reduced amounts shall be increased on the same basis as they were reduced (until the amount allocated equals the amount required to be allocated under paragraphs (1) and (2) of this subsection).

[(4)(A) Notwithstanding any other provision of this section, the Secretary may allocate an amount equal to not more than 10 percent of the amount by which the amount appropriated in any fiscal year to carry out this part exceeds $700,000,000 among eligible institutions described in subparagraph (B).

[(B) In order to receive an allocation pursuant to subparagraph (A) an institution shall be an eligible institution from which 50 percent or more of the Pell Grant recipients attending such eligible institution graduate or transfer to a 4-year institution of higher education.

[(b) ALLOCATION OF EXCESS BASED ON SHARE OF EXCESS ELIGIBLE AMOUNTS.—(1) From the remainder of the amount appropriated pursuant to section 441(b) after making the allocations required by subsection (a), the Secretary shall allocate to each eligible institution which has an excess eligible amount an amount which bears the same ratio to such remainder as such excess eligible amount bears to the sum of the excess eligible amounts of all such eligible institutions (having such excess eligible amounts).

[(2) For any eligible institution, the excess eligible amount is the amount, if any, by which—

[(A)(i) the amount of that institution's need (as determined under subsection (c)), divided by (ii) the sum of the need of all

institutions (as so determined), multiplied by (iii) the amount appropriated pursuant to section 441(b) for the fiscal year; exceeds

[(B) the amount required to be allocated to that institution under subsection (a).

[(c) DETERMINATION OF INSTITUTION'S NEED.—(1) The amount of an institution's need is equal to the sum of the self-help need of the institution's eligible undergraduate students and the self-help need of the institution's eligible graduate and professional students.

[(2) To determine the self-help need of an institution's eligible undergraduate students, the Secretary shall—

[(A) establish various income categories for dependent and independent undergraduate students;

[(B) establish an expected family contribution for each income category of dependent and independent undergraduate students, determined on the basis of the average expected family contribution (computed in accordance with part F of this title) of a representative sample within each income category for the second preceding fiscal year;

[(C) compute 25 percent of the average cost of attendance for all undergraduate students;

[(D) multiply the number of eligible dependent students in each income category by the lesser of—

[(i) 25 percent of the average cost of attendance for all undergraduate students determined under subparagraph (C); or

[(ii) the average cost of attendance for all undergraduate students minus the expected family contribution determined under subparagraph (B) for that income category, except that the amount computed by such subtraction shall not be less than zero;

[(E) add the amounts determined under subparagraph (D) for each income category of dependent students; and

[(F) multiply the number of eligible independent students in ach income category by the lesser of—

[(i) 25 percent of the average cost of attendance for all undergraduate students determined under subparagraph (C); or

[(ii) the average cost of attendance for all undergraduate students minus the expected family contribution determined under subparagraph (B) for that income category, except that the amount computed by such subtraction for any income category shall not be less than zero;

[(G) add the amounts determined under subparagraph (F) for each income category of independent students; and

[(H) add the amounts determined under subparagraphs (E) and (G).

[(3) To determine the self-help need of an institution's eligible graduate and professional students, the Secretary shall—

[(A) establish various income categories of graduate and professional students;

[(B) establish an expected family contribution for each income category of graduate and professional students, determined on the basis of the average expected family contribution

(computed in accordance with part F of this title) of a representative sample within each income category for the second preceding fiscal year;

[(C) determine the average cost of attendance for all graduate and professional students;

[(D) subtract from the average cost of attendance for all graduate and professional students (determined under subparagraph (C)), the expected family contribution (determined under subparagraph (B)) for each income category, except that the amount computed by such subtraction for any income category shall not be less than zero;

[(E) multiply the amounts determined under subparagraph (D) by the number of eligible students in each category; and

[(F) add the amounts determined under subparagraph (E) of this paragraph for each income category.

[(4)(A) For purposes of paragraphs (2) and (3), the term "average cost of attendance" means the average of the attendance costs for undergraduate students and for graduate and professional students, which shall include (i) tuition and fees determined in accordance with subparagraph (B), (ii) standard living expenses determined in accordance with subparagraph (C), and (iii) books and supplies determined in accordance with subparagraph (D).

[(B) The average undergraduate and graduate and professional tuition and fees described in subparagraph (A)(i) shall be computed on the basis of information reported by the institution to the Secretary, which shall include (i) total revenue received by the institution from undergraduate and graduate tuition and fees for the second year preceding the year for which it is applying for an allocation, and (ii) the institution's enrollment for such second preceding year.

[(C) The standard living expense described in subparagraph (A)(ii) is equal to 150 percent of the difference between the income protection allowance for a family of five with one in college and the income protection allowance for a family of six with one in college for a single independent student.

[(D) The allowance for books and supplies described in subparagraph (A)(iii) is equal to $600.

[(d) REALLOCATION OF EXCESS ALLOCATIONS.—(1) If institutions return to the Secretary any portion of the sums allocated to such institutions under this section for any fiscal year, the Secretary shall reallot such excess to eligible institutions which used at least 5 percent of the total amount of funds granted to such institution under this section to compensate students employed in tutoring in reading and family literacy activities in the preceding fiscal year. Such excess funds shall be reallotted to institutions which qualify under this subsection on the same basis as excess eligible amounts are allocated to institutions pursuant to subsection (b). Funds received by institutions pursuant to this subsection shall be used to compensate students employed in community service.

[(2) If, under paragraph (1) of this subsection, an institution returns more than 10 percent of its allocation, the institution's allocation for the next fiscal year shall be reduced by the amount returned. The Secretary may waive this paragraph for a specific institution if the Secretary finds that enforcing this paragraph would be contrary to the interest of the program.

[(e) FILING DEADLINES.—The Secretary shall, from time to time, set dates before which institutions must file applications for allocations under this part.]

SEC. 442. ALLOCATION OF FUNDS.

(a) RESERVATIONS.—

(1) RESERVATION FOR IMPROVED INSTITUTIONS.—

(A) AMOUNT OF RESERVATION FOR IMPROVED INSTITUTIONS.—Beginning with the first fiscal year that is 2 years after the date of the enactment of the College Affordability Act, for a fiscal year in which the amount appropriated under section 441(b) exceeds $700,000,000, the Secretary shall—

(i) reserve the lesser of—

(I) an amount equal to 20 percent of the amount by which the amount appropriated under section 441(b) exceeds $700,000,000; or

(II) $150,000,000; and

(ii) allocate the amount reserved under clause (i) to each improved institution in an amount equal to the greater of the following:

(I) The amount that bears the same proportion to the amount reserved under clause (i) as the total amount of all Federal Pell Grant funds awarded at the improved institution for the second preceding fiscal year bears to the total amount of Federal Pell Grant funds awarded at improved institutions participating under this part for the second preceding fiscal year.

(II) $5,000.

(B) IMPROVED INSTITUTION DESCRIBED.—For purposes of this paragraph, an improved institution is an institution that, on the date the Secretary makes an allocation under subparagraph (A)(ii)—

(i) is an institution of higher education (as defined under section 101) participating under this part;

(ii) is with respect to—

(I) the completion rate or graduation rate of Federal Pell Grant recipients at the institution, in the top 75 percent of all institutions participating under this part for the preceding fiscal year;

(II) the percentage of Federal Pell Grant recipients at the institution, in the top 50 percent of the institutions described in subclause (I); and

(III) the annual increase in the completion rate or graduation rate of Federal Pell Grant recipients at the institution, in the top 50 percent of the institutions described in subclauses (I) and (II).

(C) COMPLETION RATE OR GRADUATION RATE.—For purposes of determining the completion rate or graduation rate under this section, a Federal Pell Grant recipient who is either a full-time student or a part-time student shall be counted as a completer or graduate if, within 150 percent of the normal time for completion of or graduation from the program, the student has completed or graduated from the program, or enrolled in any program of an institution par-

ticipating in any program under this title for which the prior program provides substantial preparation.

(2) RESERVATION FOR GRANT PROGRAM.—From the amount appropriated under section 441(b) for a fiscal year and remaining after the Secretary reserves funds under subparagraph (A), the Secretary shall reserve $30,000,000 to carry out grants under section 449.

(3) REALLOCATION OF AMOUNT RETURNED BY IMPROVED INSTITUTIONS.—If an institution returns to the Secretary any portion of the sums allocated to such institution under this subsection for any fiscal year, the Secretary shall reallot such excess to improved institutions on the same basis as under paragraph (1)(A).

(4) PUBLICATION.—Beginning 1 year after the first allocations are made to improved institutions under paragraph (1)(A) and annually thereafter, the Secretary shall make publicly available—

(A) a list of the improved institutions that received funding under such paragraph in the prior fiscal year;

(B) the percentage of students at each such improved institution that are Federal Pell Grant recipients;

(C) the completion rate or graduation rate for the students described in subparagraph (B) with respect to each such improved institution; and

(D) a comparison between the information described in subparagraphs (A), (B), and (C) for the prior fiscal year for such improved institution, and such information for the year prior to such year.

(c) ALLOCATION FORMULA FOR FISCAL YEARS 2021 THROUGH 2025.—

(1) IN GENERAL.—From the amount appropriated under section 441(b) for a fiscal year and remaining after the Secretary reserves funds under subsection (a), the Secretary shall allocate to each institution—

(A) for fiscal year 2021, an amount equal to the greater of—

(i) 90 percent of the amount the institution received under this subsection and subsection (a) for fiscal year 2020, as such subsections were in effect with respect to such fiscal year (in this subparagraph referred to as "the 2020 amount for the institution"); or

(ii) the fair share amount for the institution determined under subsection (d);

(B) for fiscal year 2022, an amount equal to the greater of—

(i) 80 percent of the 2020 amount for the institution; or

(ii) the fair share amount for the institution determined under subsection (d);

(C) for fiscal year 2023, an amount equal to the greater of—

(i) 60 percent of the 2020 amount for the institution; or

(ii) the fair share amount for the institution determined under subsection (d);

(D) for fiscal year 2024, an amount equal to the greater of—

(i) 40 percent of the 2020 amount for the institution; or

(ii) the fair share amount for the institution determined under subsection (d); and

(E) for fiscal year 2025, an amount equal to the greater of—

(i) 20 percent of the 2020 amount for the institution; or

(ii) the fair share amount for the institution determined under subsection (d).

(2) RATABLE REDUCTION.—

(A) IN GENERAL.—If the amount appropriated under section 441(b) for a fiscal year and remaining after the Secretary reserves funds under subsection (a) is less than the amount required to be allocated to the institutions under this subsection, then the amount of the allocation to each institution shall be ratably reduced.

(B) ADDITIONAL APPROPRIATIONS.—If the amounts allocated to each institution are ratably reduced under subparagraph (A) for a fiscal year and additional amounts are appropriated for such fiscal year, the amount allocated to each institution from the additional amounts shall be increased on the same basis as the amounts under subparagraph (A) were reduced (until each institution receives the amount required to be allocated under this subsection).

(d) ALLOCATION FORMULA FOR FISCAL YEAR 2026 AND EACH SUCCEEDING FISCAL YEAR.—Except as provided in subsection (d)(5), from the amount appropriated under section 441(b) for fiscal year 2026 and each succeeding fiscal year and remaining after the Secretary reserves funds under subsection (a), the Secretary shall allocate to each institution the fair share amount for the institution determined under subsection (d).

(e) DETERMINATION OF FAIR SHARE AMOUNT.—

(1) IN GENERAL.—Subject to paragraph (2), the fair share amount for an institution for a fiscal year shall be equal to the sum of—

(A) 100 percent of the institution's undergraduate student need described in paragraph (2) for the preceding fiscal year; and

(B) 25 percent of the institution's graduate student need described in paragraph (3) for the preceding fiscal year.

(2) INSTITUTIONAL UNDERGRADUATE STUDENT NEED CALCULATION.—The undergraduate student need for an institution for a fiscal year shall be equal to the sum of the following:

(A) An amount equal to 50 percent of the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of Federal Pell Grant funds awarded at the institution for the preceding fiscal year bears to the total amount of Federal Pell Grant funds awarded at all institutions participating under this part for the preceding fiscal year.

(B) An amount equal to 50 percent of the amount that bears the same proportion to the available appropriated

amount for such fiscal year as the total amount of the undergraduate student need at the institution for the preceding fiscal year bears to the total amount of undergraduate student need at all institutions participating under this part for the preceding fiscal year.

(3) INSTITUTIONAL GRADUATE STUDENT NEED CALCULATION.—The graduate student need for an institution for a fiscal year shall be equal to the amount that bears the same proportion to the available appropriated amount for such fiscal year as the total amount of the graduate student need at the institution for the preceding fiscal year bears to the total amount of graduate student need at all institutions participating under this part for the preceding fiscal year.

(4) ELIGIBILITY FOR FAIR SHARE AMOUNT.—The Secretary may not allocate funds under this part to any institution that, for two or more fiscal years during any three fiscal year period beginning not earlier than the first day of the first fiscal year that is 2 years after the date of the enactment of this paragraph, has—

(A) a student population with less than 7 percent of undergraduate students who are recipients of Federal Pell Grants; or

(B) if the institution only enrolls graduate students, a student population with less than 5 percent of students that have an expected family contribution of zero.

(5) DEFINITIONS.—In this subsection:

(A) AVAILABLE APPROPRIATED AMOUNT.—In this section, the term "available appropriated amount" means—

(i) the amount appropriated under section 441(b) for a fiscal year, minus

(ii) the amounts reserved under subsection (a) for such fiscal year.

(B) AVERAGE COST OF ATTENDANCE.—The term "average cost of attendance" means, with respect to an institution, the average of the attendance costs for a fiscal year for students which shall include—

(i) tuition and fees, computed on the basis of information reported by the institution to the Secretary, which shall include—

(I) total revenue received by the institution from undergraduate and graduate tuition and fees for the second year preceding the year for which it is applying for an allocation; and

(II) the institution's enrollment for such second preceding year;

(ii) standard living expenses equal to 150 percent of the difference between the income protection allowance for a family of five with one in college and the income protection allowance for a family of six with one in college for a single independent student; and

(iii) books and supplies, in an amount not exceeding $1,000.

(C) GRADUATE STUDENT NEED.—The term "graduate student need" means, with respect to a graduate student for a fiscal year, the lesser of the following:

(i) The amount equal to (except the amount computed by this clause shall not be less than zero)—

(I) the average cost of attendance for the preceding fiscal year, minus

(II) such graduate student's expected family contribution (computed in accordance with part F of this title) for the preceding fiscal year.

(ii) The total annual loan limit for a Federal Direct Unsubsidized Stafford Loan.

(D) UNDERGRADUATE STUDENT NEED.—The term "undergraduate student need" means, with respect to an undergraduate student for a fiscal year, the lesser of the following:

(i) The total of the amount equal to (except the amount computed by this clause shall not be less than zero)—

(I) the average cost of attendance for the fiscal year, minus

(II) such undergraduate student's expected family contribution (computed in accordance with part F of this title) for the preceding fiscal year.

(ii) The total annual loan limit for a Federal Direct Unsubsidized Stafford Loan and a Federal Direct Loan.

(f) RETURN OF SURPLUS ALLOCATED FUNDS.—

(1) IN GENERAL.—Except with respect to funds returned under subsection (a)(3), if an institution returns to the Secretary any portion of the sums allocated to such institution under this section for any fiscal year, the Secretary shall reallot such excess to institutions that used at least 10 percent of the total amount of funds granted to such institution under this section to compensate students employed during a qualified period of nonenrollment (as such term is defined in section 443(f)) on the same basis as excess eligible amounts are allocated under subsection (d).

(2) USE OF FUNDS.—Funds received by institutions pursuant to this subsection shall, to maximum extent practicable, be used to compensate students employed in work-based learning positions.

(3) RETAINED FUNDS.—

(A) AMOUNT RETURNED.—If an institution returns more than 10 percent of its allocation under paragraph (1), the institution's allocation for the next fiscal year shall be reduced by the amount returned.

(B) WAIVER.—The Secretary may waive this paragraph for a specific institution if the Secretary finds that enforcing this paragraph would be contrary to the interest of the program.

(g) FILING DEADLINES.—The Secretary may require applications under this section, at such time, in such manner, and containing such information as the Secretary may require.

SEC. 443. GRANTS FOR FEDERAL WORK-STUDY PROGRAMS.

(a) AGREEMENTS REQUIRED.—The Secretary is authorized to enter into agreements with institutions of higher education under

which the Secretary will make grants to such institutions to assist in the operation of work-study programs as provided in this part.

(b) CONTENTS OF AGREEMENTS.—An agreement entered into pursuant to this section shall—

(1) provide for the operation by the institution of a program for the part-time employment, including internships, practica, or research assistantships as determined by the Secretary, of its students in work for the institution itself, work in community service or work in the public interest for a Federal, State, or local public agency or private nonprofit organization under an arrangement between the institution and such agency or organization, and such work—

(A) will not result in the displacement of employed workers or impair existing contracts for services;

(B) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as type of work performed, geographical region, and proficiency of the employee;

(C) does not involve the construction, operation, or maintenance of so much of any facility as is used or is to be used for sectarian instruction or as a place for religious worship; and

(D) will not pay any wage to students employed under this subpart that is less than the current Federal minimum wage as mandated by section 6(a) of the Fair Labor Standards Act of 1938;

[(2) provide that funds granted an institution of higher education, pursuant to this section, may be used only to make payments to students participating in work-study programs, except that—

[(A) for fiscal year 2000 and succeeding fiscal years, an institution shall use at least 7 percent of the total amount of funds granted to such institution under this section for such fiscal year to compensate students employed in community service, and shall ensure that not less than 1 tutoring or family literacy project (as described in subsection (d)) is included in meeting the requirement of this subparagraph, except that the Secretary may waive this subparagraph if the Secretary determines that enforcing this subparagraph would cause hardship for students at the institution; and

[(B) an institution may use a portion of the sums granted to it to meet administrative expenses in accordance with section 489 of this Act, may use a portion of the sums granted to it to meet the cost of a job location and development program in accordance with section 446 of this part, and may transfer funds in accordance with the provisions of section 488 of this Act;]

(2) provide that funds granted an institution of higher education, pursuant to this section may only be used to make payments to students participating in work-study programs except that an institution—

(A) shall, beginning fiscal year 2023—

(i) use at least 3 percent of the total amount of funds granted to such institution under this section for such

fiscal year to compensate students who have exceptional need (as defined in section 413C(c)(2)) and are employed in a work-based learning position during a qualified period of nonenrollment, as defined in subsection (f), except that the Secretary may waive this clause if the Secretary determines that enforcing this clause would cause hardship for students at the institution; and

(ii) use at least 7 percent of the total amount of funds granted to such institution under this section for such fiscal year to compensate students employed in work-based learning positions, except that the Secretary may waive this clause if the Secretary determines that enforcing this clause would cause hardship for students at the institution;

(B) may—

(i) use a portion of the sums granted to it to compensate students employed in community service;

(ii) use a portion of the sums granted to it to meet administrative expenses in accordance with section 489;

(iii) use a portion of the sums granted to it to meet the cost of a job location and development program in accordance with section 446 of this part; and

(iv) transfer funds in accordance with the provisions of section 488;

(3) provide that in the selection of students for employment under such work-study program, only students who demonstrate financial need in accordance with part F and meet the requirements of section 484 will be assisted, except that if the institution's grant under this part is directly or indirectly based in part on the financial need demonstrated by students who are (A) attending the institution on less than a full-time basis, or (B) independent students, a reasonable portion of the grant shall be made available to such students;

(4) *except as provided under subsection (f),* provide that for a student employed in a work-study program under this part, at the time income derived from any need-based employment is in excess of the determination of the amount of such student's need by more than **[**$300**]** *$500*, continued employment shall not be subsidized with funds appropriated under this part;

(5) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement shall not exceed 75 percent, except that—

(A) the Federal share may exceed 75 percent, but not exceed 90 percent, if, consistent with regulations of the Secretary—

(i) the student is employed at a nonprofit private organization or a government agency that—

(I) is not a part of, and is not owned, operated, or controlled by, or under common ownership, operation, or control with, the institution;

(II) is selected by the institution on an individual case-by-case basis for such student; and

(III) would otherwise be unable to afford the costs of such employment; and

(ii) not more than 10 percent of the students compensated through the institution's grant under this part during the academic year are employed in positions for which the Federal share exceeds 75 percent; [and]

(B) the Federal share may exceed 75 percent if the Secretary determines, pursuant to regulations promulgated by the Secretary establishing objective criteria for such determinations, that a Federal share in excess of such amounts is required in furtherance of the purpose of this part; *and*

(C) the Federal share shall equal 100 percent if the institution is eligible for assistance under title III or title V;

(6) include provisions to make employment under such work-study program reasonably available (to the extent of available funds) to all eligible students *who demonstrate exceptional need (as defined in section 413C(c)(2))* in the institution *and prioritize employment for students who are currently homeless individuals described in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a) or foster care youth* in need thereof;

(7) provide assurances that employment made available from funds under this part will, to the maximum extent practicable, complement and reinforce the educational program or [vocational] *career* goals of each student receiving assistance under this part;

(8) provide assurances, in the case of each proprietary institution, that students attending the proprietary institution receiving assistance under this part who are employed by the institution may be employed in jobs—

(A) that are only on campus and that—

(i) to the maximum extent practicable, complement and reinforce the education programs [or vocational goals] *career goals* of such students; and

(ii) furnish student services that are directly related to the student's education, as determined by the Secretary pursuant to regulations, except that no student shall be employed in any position that would involve the solicitation of other potential students to enroll in the school; or

(B) in community service in accordance with paragraph (2)(A) of this subsection;

(9) provide assurances that employment made available from funds under this part may be used to support programs for supportive services to students with disabilities;

(10) provide assurances that the institution will inform all eligible students of the opportunity to perform community service, and will consult with local nonprofit, governmental, and community-based organizations to identify such opportunities[; and];

(11) include such other reasonable provisions as the Secretary shall deem necessary or appropriate to carry out the purpose of this part[.];

(12) provide assurances that compensation of students employed in the work-study program in accordance with the agreement shall include reimbursement for reasonable travel (not including the purchase of a vehicle) directly related to such work-study program;

(13) provide assurances that the institution will administer and use feedback from the surveys required under section 450, to improve the experiences of students employed in the work-study program in accordance with the agreement;

(14) provide assurances that the institution will collect data from students and employers such that the employment made available from funds under this part will, to the maximum extent practicable, complement and reinforce the educational goals or career goals of each student receiving assistance under this part; and

(15) provide assurances that if the institution receives funds under section 442(a)(1)(A), such institution shall—

(A) use such funds to compensate students employed in the work-study program in accordance with the agreement; and

(B) prioritize the awarding of such funds (and increasing the amount of each award) to students—

(i) who demonstrate exceptional need (as defined in section 413C(c)(2)); and

(ii) who are employed in work-based learning opportunities through the work study program in accordance with the agreement.

(c) PRIVATE SECTOR EMPLOYMENT AGREEMENT.—As part of its agreement described in subsection (b), an institution of higher education may, at its option, enter into an additional agreement with the Secretary which shall—

(1) provide for the operation by the institution of a program of part-time employment of its students in work for a private for-profit organization under an arrangement between the institution and such organization that complies with the requirements of subparagraphs (A) through (D) of subsection (b)(1) and subsection (b)(3);

[(2) provide that the institution will use not more than 25 percent of the funds made available to such institution under this part for any fiscal year for the operation of the program described in paragraph (1);**]**

(2) provide that—

(A) in the case of an institution that has not received a waiver from the Secretary, such institution will not use more than 25 percent of the funds made available to such institution under this part for any fiscal year for the operation of the program described in paragraph (1); and

(B) in the case of an institution that has received a waiver from the Secretary, such institution will not use more than 50 percent of the funds made available to such institution under this part for any fiscal year for the operation of the program described in paragraph (1);

(3) provide that, notwithstanding subsection (b)(5), the Federal share of the compensation of students employed in such program will not exceed 60 percent for academic years 1987–

1988 and 1988–1989, 55 percent for academic year 1989–1990, and 50 percent for academic year 1990–1991 and succeeding academic years, and that the non-Federal share of such compensation will be provided by the private for-profit organization in which the student is employed;

(4) provide that jobs under the work study program will be academically relevant *and complement and reinforce the educational goals or career goals of each student receiving assistance under this part*, to the maximum extent practicable; [and]

(5) provide that the for-profit organization will not use funds made available under this part to pay any employee who would otherwise be employed by the organization[.]*; and*

(6) provide assurances that compensation of students employed in the work-study program in accordance with the agreement shall include reimbursement for reasonable travel (not including the purchase of a vehicle) directly related to such work-study program.

(d) TUTORING AND LITERACY ACTIVITIES.—

(1) USE OF FUNDS.—[In any academic year to which subsection (b)(2)(A) applies, an institution shall ensure that] *An institution may use the* funds granted to such institution under this section are used in accordance with such subsection to compensate (including compensation for time spent in training and [travel] *reasonable travel (not including the purchase of a vehicle)* directly related to tutoring in reading and family literacy activities) students—

(A) employed as reading tutors for children who are preschool age or are in elementary school; or

(B) employed in family literacy projects.

(2) PRIORITY FOR SCHOOLS.—To the extent practicable, an institution shall—

(A) give priority to the employment of students in the provision of tutoring in reading in schools that are participating in a reading reform project that—

(i) is designed to train teachers how to teach reading on the basis of scientifically-based research on reading; and

(ii) is funded under the Elementary and Secondary Education Act of 1965; and

(B) ensure that any student compensated with the funds described in paragraph (1) who is employed in a school participating in a reading reform project described in subparagraph (A) receives training from the employing school in the instructional practices used by the school.

(3) FEDERAL SHARE.—The Federal share of the compensation of work-study students compensated under this subsection may exceed 75 percent.

(e) CIVIC EDUCATION AND PARTICIPATION ACTIVITIES.—

(1) USE OF FUNDS.—Funds granted to an institution under this section may be used to compensate (including compensation for time spent in training and travel directly related to civic education and participation activities) students employed in projects that—

(A) teach civics in schools;

(B) raise awareness of government functions or resources; or

(C) increase civic participation.

(2) PRIORITY FOR SCHOOLS.—To the extent practicable, an institution shall—

(A) give priority to the employment of students participating in projects that educate or train the public about evacuation, emergency response, and injury prevention strategies relating to natural disasters, acts of terrorism, and other emergency situations; and

(B) ensure that any student compensated with the funds described in paragraph (1) receives appropriate training to carry out the educational services required.

(3) FEDERAL SHARE.—The Federal share of the compensation of work-study students compensated under this subsection may exceed 75 percent.

(f) QUALIFIED PERIOD OF NONENROLLMENT.—

(1) IN GENERAL.—A student may be awarded work-study employment during a qualified period of nonenrollment if—

(A) the student demonstrates exceptional need (as defined in section 413C(c)(2)) in the award year prior to the qualified period of nonenrollment;

(B) the student is employed in a work-based learning position; and

(C) the employment—

(i) involves less than 25 percent administrative work; and

(ii) is for at least 20 hours per week, unless the institution waives such requirement—

(I) at the request of the student; or

(II) based on a finding by the institution that such requirement presents a hardship in finding a work-based learning position for the student.

(2) FUNDS EARNED.—

(A) IN GENERAL.—Any funds earned by a student (beyond standard living expenses (as such term is described in section 413D(c)(3)(C))) during the qualified period of nonenrollment less than or equal to $2,500 may not be applied to such student's cost of attendance for the next period in which the student is enrolled.

(B) EXCESS FUNDS.—Any funds earned by a student (beyond standard living expenses (as such term is described in section 413D(c)(3)(C))) during the qualified period of nonenrollment in excess of $2,500 shall be applied to such student's cost of attendance for the next period in which the student is enrolled.

(3) DEFINITION OF QUALIFIED PERIOD OF NONENROLLMENT.—In this subsection, the term "qualified period of nonenrollment" means, with respect to a student, a period of nonenrollment that—

(A) occurs between a period of enrollment and a period of anticipated enrollment; and

(B) the duration of which is no longer than 6 months.

(g) COOPERATIVE EDUCATION.—

(1) IN GENERAL.—A student may be awarded work-study employment for participation in cooperative education on—

(A) a part-time basis; or

(B) a full-time basis for a period equal to or less than 6 months.

(2) PRIVATE AGREEMENTS FOR COOPERATIVE EDUCATION.—As part of its agreement described in subsection (b), an institution of higher education may, at its option, enter into an additional agreement with the Secretary which shall provide for the operation by the institution of a program of cooperative education of its students (on the basis described in subparagraph (A) or (B) of paragraph (1)) by a private for-profit organization under an agreement between the institution and such organization that complies with the requirements of subsection (c).

(3) FULL-TIME BASIS PERIOD.—The period specified in paragraph (1)(B) may be non-consecutive and include participation during qualified periods of nonenrollment (as defined in subsection (f)(3)).

(4) COOPERATIVE EDUCATION DEFINED.—In this subsection, the term "cooperative education" means a program of alternating or parallel periods of academic study and work-based learning designed to give students work experiences related to their academic or career objectives.

(h) NOTIFICATION REGARDING SNAP.—

(1) IN GENERAL.—An institution receiving a grant under this part shall send a notification (by email or other electronic means) to each eligible student informing the student of their potential eligibility for participation in the SNAP and the process for obtaining more information, confirming eligibility, and accessing benefits under that program. The notification shall be developed by the Secretary of Education in consultation with the Secretary of Agriculture, and shall include details on eligibility requirements for participation in the SNAP that a student must satisfy. The notification shall be, to the extent practicable, specific to the student's State of residence and shall provide contact information for the local office where an application for the SNAP may be made.

(2) EVIDENCE OF PARTICIPATION IN FEDERALLY FINANCED WORK-STUDY PROGRAM.—The notification under paragraph (1) shall include an official document confirming that the recipient is an eligible student sufficient for purposes of demonstrating that the exclusion from ineligibility for participation in the SNAP under section 6(e)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(e)(4)) applies to the student.

(3) GUIDANCE.—The Secretary of Education, in consultation with the Secretary of Agriculture, shall provide guidance to States and institutions of higher education on how to identify and communicate with students who are likely to be eligible for the SNAP, including those eligible for a State or federally financed work-study program.

(4) DEFINITIONS.—For purposes of this subsection:

(A) The term "eligible student" means a student receiving work-study assistance under this part.

(B) The term "SNAP" means the supplemental nutrition assistance program (as defined in section 3(t) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(t))).

* * * * * * *

SEC. 445. FLEXIBLE USE OF FUNDS.

(a) CARRY-OVER AUTHORITY.—(1) Of the sums granted to an eligible institution under this part for any fiscal year, [10 percent] *20 percent* may, at the discretion of the institution, remain available for expenditure during the succeeding fiscal year to carry out programs under this part.

(2) Any of the sums so granted to an institution for a fiscal year which are not needed by that institution to operate work-study programs during that fiscal year, and which it does not wish to use during the next fiscal year as authorized in the preceding sentence, shall remain available to the Secretary for making grants under section 443 to other institutions in the same State until the close of the second fiscal year next succeeding the fiscal year for which such funds were appropriated.

(3) In addition to the carry-over sums authorized under paragraph (1) of this section, an institution may permit a student who completed the previous award period to continue to earn unearned portions of the student's work-study award from that previous period if—

(A) any reduction in the student's need upon which the award was based is accounted for in the remaining portion; and

(B) the student is currently employed in a work-based learning position.

(b) CARRY-BACK AUTHORITY.—(1) Up to [10 percent] *20 percent* of the sums the Secretary determines an eligible institution may receive from funds which have been appropriated for a fiscal year may be used by the Secretary to make grants under this part to such institution for expenditure during the fiscal year preceding the fiscal year for which the sums were appropriated.

(2) An eligible institution may make payments to students of wages earned after the end of the academic year, but prior to the beginning of the succeeding fiscal year, from such succeeding fiscal year's appropriations.

(c) FLEXIBLE USE OF FUNDS.—An eligible institution may, upon the request of a student, make payments to the student under this part by crediting the student's account at the institution or by making a direct deposit to the student's account at a depository institution. An eligible institution may only credit the student's account at the institution for (1) tuition and fees, (2) in the case of institutionally owned housing, room and board, and (3) other institutionally provided goods and services.

(d) FLEXIBILITY IN THE EVENT OF A MAJOR DISASTER.—

(1) IN GENERAL.—In the event of a major disaster, an eligible institution located in any area affected by such major disaster, as determined by the Secretary, may make payments under this part to disaster-affected students, for the period of time (not to exceed one academic year) in which the disaster-affected students were prevented from fulfilling the students'

work-study obligations as described in paragraph (2)(A)(iii), as follows:

(A) Payments may be made under this part to disaster-affected students in an amount equal to or less than the amount of wages such students would have been paid under this part had the students been able to complete the work obligation necessary to receive work study funds.

(B) Payments shall not be made to any student who was not eligible for work study or was not completing the work obligation necessary to receive work study funds under this part prior to the occurrence of the major disaster.

(C) Any payments made to disaster-affected students under this subsection shall meet the matching requirements of section 443, unless such matching requirements are waived by the Secretary.

(2) DEFINITIONS.—In this subsection:

(A) The term "disaster-affected student" means a student enrolled at an eligible institution who—

(i) received a work-study award under this section for the academic year during which a major disaster occurred;

(ii) earned Federal work-study wages from such eligible institution for such academic year;

(iii) was prevented from fulfilling the student's work-study obligation for all or part of such academic year due to such major disaster; and

(iv) was unable to be reassigned to another work-study job.

(B) The term "major disaster" has the meaning given such term in section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)).

SEC. 446. JOB LOCATION AND DEVELOPMENT PROGRAMS.

(a) AGREEMENTS REQUIRED.—(1) The Secretary is authorized to enter into agreements with eligible institutions under which such institution may use not more than [10 percent or $75,000] *20 percent or $150,000* of its allotment under section 442, whichever is less, to establish or expand a program under which such institution, separately or in combination with other eligible institutions, locates and develops jobs, including community service jobs, for currently enrolled students.

(2) Jobs located and developed under this section shall be jobs that are suitable to the scheduling and other needs of such students and that, to the maximum extent practicable, complement and reinforce the educational programs or [vocational] *career* goals of such students.

(b) CONTENTS OF AGREEMENTS.—Agreements under subsection (a) shall—

[(1) provide that the Federal share of the cost of any program under this section will not exceed 80 percent of such cost;

[(2) provide satisfactory assurance that funds available under this section will not be used to locate or develop jobs at an eligible institution;]

(1) provide satisfactory assurance that the institution will prioritize placing students with exceptional need (as defined in

section 413C(c)(2)) and Federal work-study recipients in jobs located and developed under this section; and

(2) provide satisfactory assurances that the funds available under this section will be used to locate and develop work-based learning positions;

(3) provide satisfactory assurance that funds available under this section will not be used for the location or development of jobs for students to obtain upon graduation, but rather for the location and development of jobs available to students during and between periods of attendance at such institution;

(4) provide satisfactory assurance that the location or development of jobs pursuant to programs assisted under this section will not result in the displacement of employed workers or impair existing contracts for services;

(5) provide satisfactory assurance that Federal funds used for the purpose of this section can realistically be expected to help generate student wages exceeding, in the aggregate, the amount of such funds, and that if such funds are used to contract with another organization, appropriate performance standards are part of such contract; and

(6) provide that the institution will submit to the Secretary an annual report on the uses made of funds provided under this section and an evaluation of the effectiveness of such program in benefiting the students of such institution[.] *, including—*

(A) the number of students employed in work-based learning positions through such program;

(B) the number of students demonstrating exceptional need (as defined in section 413C(c)(2)) and Federal work-study recipients employed through such program; and

(C) the number of students demonstrating exceptional need (as defined in section 413C(c)(2)) and Federal work-study recipients employed in work-based learning positions through such program.

[SEC. 447. ADDITIONAL FUNDS TO CONDUCT COMMUNITY SERVICE WORK-STUDY PROGRAMS.

[(a) COMMUNITY SERVICE-LEARNING.—Each institution participating under this part may use up to 10 percent of the funds made available under section 489(a) and attributable to the amount of the institution's expenditures under this part to conduct that institution's program of community service-learning, including—

[(1) development of mechanisms to assure the academic quality of the student experience,

[(2) assuring student access to educational resources, expertise, and supervision necessary to achieve community service objectives, and

[(3) collaboration with public and private nonprofit agencies, and programs assisted under the National and Community Service Act of 1990 in the planning, development, and administration of such programs.

[(b) OFF-CAMPUS COMMUNITY SERVICE.—

[(1) GRANTS AUTHORIZED.—In addition to funds made available under section 443(b)(2)(A), the Secretary is authorized to award grants to institutions participating under this part to supplement off-campus community service employment.

[(2) USE OF FUNDS.—An institution shall ensure that funds granted to such institution under this subsection are used in accordance with section 443(b)(2)(A) to recruit and compensate students (including compensation for time spent in training and for travel directly related to such community service).

[(3) PRIORITY.—In awarding grants under this subsection, the Secretary shall give priority to applications that support postsecondary students assisting with early childhood education activities and activities in preparation for emergencies and natural disasters.

[(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.]

SEC. 447. Additional funds to conduct community service work study programs

Each institution participating under this part may use up to 10 percent of the funds made available under section 489(a) and attributable to the amount of the institution's expenditures under this part to conduct that institution's program of community service-learning, including—

(1) development of mechanisms to assure the academic quality of the student experience;

(2) assuring student access to educational resources, expertise, and supervision necessary to achieve community service objectives;

(3) assuring, to the maximum extent practicable, that the community service-learning program will support the educational goals or career goals of students participating in such program;

(4) collaboration with public and private nonprofit agencies, and programs assisted under the National and Community Service Act of 1990 in the planning, development, and administration of such programs; and

(5) to recruit and compensate students for community service-learning (including compensation for time spent in training and for reasonable travel (not including the purchase of a vehicle) directly related to such community service).

SEC. 448. WORK COLLEGES.

(a) PURPOSE.—The purpose of this section is to recognize, encourage, and promote the use of comprehensive *student* work-learning-service programs as a valuable educational approach when it is an integral part of the institution's educational program and a part of a financial plan which decreases reliance on grants and loans.

(b) SOURCE AND USE FUNDS.—

(1) SOURCE OF FUNDS.—In addition to the sums appropriated under subsection (f), funds allocated to the institution under part C and part E of this title may be transferred for use under this section to provide flexibility in strengthening the self-help-through-work element in financial aid packaging.

(2) ACTIVITIES AUTHORIZED.—From the sums appropriated pursuant to subsection (f), and from the funds available under paragraph (1), eligible institutions may, following approval of an application under subsection (c) by the Secretary—

(A) support the educational costs of qualified students through self-help payments or credits provided under the work-learning-service program of the institution within the limits of part F of this title;

(B) promote the work-learning-service experience as a tool of postsecondary education, financial self-help and community service-learning opportunities;

(C) carry out activities described in section 443 or 446;

(D) be used for the administration, development and assessment of comprehensive *student* work-learning-service programs, including—

(i) community-based work-learning-service alternatives that expand opportunities for community service and career-related work; and

(ii) alternatives that develop sound citizenship, encourage student persistence, and make optimum use of assistance under this part in education and student development;

(E) coordinate and carry out joint projects and activities to promote work service learning; and

(F) carry out a comprehensive, longitudinal study of student academic progress and academic and career outcomes, relative to student self-sufficiency in financing their higher education, repayment of student loans, continued community service, kind and quality of service performed, and career choice and community service selected after graduation.

(c) APPLICATION.—**[**Each eligible institution**]**

(1) IN GENERAL.—Each eligible institution may submit an application for funds authorized by subsection (f) to use funds under subsection (b)(1) at such time and in such manner as the Secretary, by regulation, may reasonably require.

(2) APPLICATION DATES.—The Secretary shall require an eligible institution that submits an application for funding under this section for the first time to submit such application 5 months prior to the application due date for returning applicants.

(d) MATCH REQUIRED.—Funds made available to work-colleges pursuant to this section shall be matched on a dollar-for-dollar basis from non-Federal sources.

(e) DEFINITIONS.—For the purpose of this section—

(1) the term "work college" means an eligible institution that—

(A) has been a public or private nonprofit, four-year, degree-granting institution with a commitment to community service;

[(B) has operated a comprehensive work-learning-service program for at least two years;**]**

(B) is accredited by an accrediting agency or association recognized by the Secretary pursuant to part H, has operated a work-study program under this part for at least the 2 years preceding the date of the determination, and has operated a comprehensive student work-learning-service program for at least the 2 years preceding the date of the determination;

(C) requires students, including at least one-half of all students who are enrolled on a full-time basis, to participate in a comprehensive *student* work-learning-service program for at least five hours each week, or at least 80 hours during each period of enrollment, except summer school, unless the student is engaged in an institutionally organized or approved study abroad or externship program; and

(D) provides students participating in the comprehensive *student* work-learning-service program with the opportunity to contribute to their education and to the welfare of the community as a whole; and

(2) the term "comprehensive student work-learning-service program" means a student work-learning-service program that—

(A) is a 4-year, degree-granting program;

[(A)] *(B)* is an integral and stated part of the institution's educational philosophy and program;

[(B)] *(C)* requires participation of all resident students for enrollment and graduation;

[(C)] *(D)* includes learning objectives, evaluation, and a record of work performance as part of the student's college record;

[(D)] *(E)* provides programmatic leadership by college personnel at levels comparable to traditional academic programs;

[(E)] *(F)* recognizes the educational role of work-learning-service supervisors; and

[(F)] *(G)* includes consequences for nonperformance or failure in the work-learning-service program similar to the consequences for failure in the regular academic program.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

SEC. 449. WORK-BASED LEARNING OPPORTUNITIES PILOT GRANT PROGRAM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a program to provide grants to eligible institutions participating under this part to establish or expand a program to develop work-based learning positions.

(2) LIMITATIONS.—

(A) DURATION.—A grant awarded under this section shall be for a period of not more than 4 years, but may be renewed by the Secretary for a period of 2 years.

(B) AMOUNT.—A grant under this section may not be in an amount greater than $1,000,000.

(b) APPLICATION.—To be selected to receive a grant under this section an eligible institution participating under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including a plan that describes how the eligible institution will establish or expand a program to develop work-based learning positions that will—

(1) benefit students who demonstrate exceptional need (as defined in section 413C(c)(2));

(2) identify in-demand industry sectors and occupations (as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102) and as determined by the Bureau of Labor and Statistics, State departments of labor, and local boards (as defined in such section 3)) and develop partnerships with high-demand employers (including nonprofit organizations, joint labor-management organizations, for-profit firms, or public agencies);

(3) involve participating employers in evaluating and improving such program;

(4) track and report academic and employment outcomes for participating students; and

(5) be able to continue after the end of the grant term.

(c) USE OF FUNDS.—Grant funds awarded under this program shall be used to pay wages for students participating under this program and develop work-based learning positions that—

(1) are for a period of at least 12 weeks;

(2) serve students who demonstrate exceptional need (as defined in section 413C(c)(2));

(3) limit administrative work to no more than 25 percent of such position;

(4) provide a minimum of 15 hours of work per week during periods of enrollment and 30 hours per week during periods of nonenrollment, except such requirement may be waived by the institution in consultation with a student;

(5) include career coaching from participating employers (including mock interviews, resume writing assistance, career exploration, and counseling on applying for and attaining employment); and

(6) provide participating students with opportunities to meet with employers in fields or industries related to those of participating employers.

(d) REPORT.—On a date that is before the date on which the period of the grant received by an eligible institution under this section terminates, such institution shall submit a report to the Secretary including—

(1) the graduation rate or completion rate (as described under section 442(a)(1)(C)) with respect to students participating in work-based learning positions under the pilot program; and

(2) the results of the work-based learning opportunities program for which such institution received such grant, including—

(A) participating students' satisfaction with the program as reported in surveys under section 450, as added by section 4209 of the College Affordability Act;

(B) the types of jobs in which participating students were employed and the types of duties performed in such jobs;

(C) the academic programs of the participating students;

(D) the share of participating students who worked at another job, in addition to the one under the pilot program;

(E) the percentage of participating students who, during the second quarter after completing their academic pro-

gram, are in education or training activities or unsubsidized employment;

(F) the percentage of participating students employed in in-demand industry sectors or occupations as described in subsection (b)(2) within 2 quarters of completing their academic programs; and

(G) other items as deemed relevant by the Secretary.

(e) RESERVATION OF FUNDING FOR SUCH PROGRAM.—From the amount appropriated under section 441(b) for a fiscal year and remaining after the Secretary reserves funds under section 442(a)(1), the Secretary shall reserve $30,000,000 to carry out grants under this section.

SEC. 450. DEPARTMENT ACTIVITIES.

(a) SURVEYS.—Not later than 1 year after the date of the enactment of this section, the Secretary shall develop, in consultation with work-study administrators from institutions of higher education, participating employers, and participating students—

(1) a consumer-tested electronic survey for students awarded work-study employment under the Federal work-study program under this part that—

(A) measures each such student's satisfaction with the Federal work-study program, including—

(i) any complaints the student has with respect to the program;

(ii) the amount and quality of the on-the-job training the student received;

(iii) the amount and quality of on-the-job supervision and employer feedback the student received;

(iv) the amount and quality of information provided by the institution about the work-study program and job opportunities and the availability of work-study staff at the institution;

(v) the quality of the assistance provided by the institution to the student in finding a work-study job and the availability of types of jobs; and

(vi) the student's overall satisfaction with the work-study program;

(B) measures the applicability of work-study employment to the educational goals and career goals of each such student;

(C) elicits an assessment by each such student of the capacity to manage time between work-study employment and coursework;

(D) measures, with respect to the program—

(i) the award amounts under the program;

(ii) the average number of hours students worked per week, and the wages received for such work;

(iii) the number of on campus jobs and off campus jobs;

(iv) how students located work-study positions;

(v) the work performed at each job;

(vi) whether students worked additional jobs while employed in a work-study job (and the reason for such additional job);

(vii) whether the work-study employment had an impact on the student's academic performance; and

(viii) the voluntarily disclosed demographics of students awarded work-study employment; and

(E) includes such information as the Secretary may require; and

(2) a consumer-tested electronic survey for employers of students described in paragraph (1) that—

(A) measures each such employer's satisfaction with the Federal work-study program, including—

(i) the extent to which the employer is satisfied with its ability to accommodate students' schedules;

(ii) the extent to which student-employees are prepared for the duties advertised for the job; and

(iii) the extent to which the employer is satisfied with opportunities to make recommendations for improving institutions' academic programs;

(B) elicits an assessment by each such employer of—

(i) any complaints the employer had with respect to the program;

(ii) any skills or knowledge necessary for the job that student-employees are lacking; and

(iii) the extent of outreach from institutions to the employer; and

(C) includes such information as the Secretary may require; and

(3) a consumer-tested electronic survey that, not less than once every 4 years, with respect to each institution of higher education participating in the Federal work-study program, measures—

(A) methods used to recruit on-campus and off-campus employers;

(B) if an institution operates a job location development program—

(i) the share of jobs filled on-campus and off-campus;

(ii) the share of jobs filled by—

(I) work-study recipients; and

(II) students who demonstrate exceptional need (as defined in section 413C(c)(2));

(iii) the primary factors considered in matching work-study students and jobs;

(iv) the share of students employed in work-based learning opportunities; and

(v) the share of students employed during qualified periods of nonenrollment, including the share of students with exceptional need (as defined in section 413C(c)(2)) employed during qualified periods of nonenrollment;

(C) the institution's Federal and non-Federal contributions toward work-study wages;

(D) the primary factors considered in awarding students work-study and in determining the amount of the award;

(E) the acceptance rate among students who were offered work-study aid; and

(F) other information the Secretary may require.

(b) RESULTS.—The Secretary shall develop an online portal—

(1) for students, employers, and institutions of higher education to access the surveys required under subsection (a); and

(2) to compile the results of such surveys.

(c) REPORT.—Not less than once every 4 years after the date of the enactment of this subsection, the Secretary shall submit a report to Congress that includes—

(1) the data collected under this section (redacted for personal information);

(2) with respect to students employed in work-study through the Federal work-study program—

(A) the types of jobs such students participated in;

(B) the average hours worked per week;

(C) the average award amount;

(D) the average wage rates;

(E) the extent to which students enter employment with skills and knowledge gained from work-study participation that have prepared them for the job; and

(F) the students' satisfaction with the program and primary complaints;

(3) the extent to which institutions conduct outreach to employers and engage them in discussions on improving academic programs;

(4) the extent to which institutions conduct outreach to students and make jobs readily available;

(5) the extent to which the work-study employment aligns with students' academic programs or career goals;

(6) the employers' satisfaction with the program and primary complaints; and

(7) recommendations for improving the program.

(d) CONSULTATION.—

(1) IN GENERAL.—In consulting with the entities described in subsection (a) to create the electronic surveys required under such subsection, the Secretary shall engage with—

(A) a representative sample of institutions of higher education participating in the Federal work-study program;

(B) a representative sample of employers participating in the Federal work-study program; and

(C) a representative sample of students participating in the Federal work-study program.

(2) RESPONSE RATE.—The Secretary shall—

(A) consult with a survey consultant to develop a target response rate with respect to the electronic surveys required under subsection (a); and

(B) provide guidance to institution with respect to such developed target response rate.

(e) TECHNICAL ASSISTANCE.—The Secretary shall—

(1) provide technical assistance to institutions participating under the Federal work-study program under this part to—

(A) comply with the amendments made by part C of title IV of the College Affordability Act and the regulations issued pursuant to such part;

(B) administer the surveys described in subsection (a) to students and employers participating in the Federal work-study program; and

(C) ensure that Federal work-study positions align with students' educational goals or career goals to the maximum extent practicable; and

(2) issue guidance and provide technical assistance to institutions to support improved partnerships and coordination among financial aid, career services, and academic advisors to administer the Federal work-study program.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $2,000,000 to carry out subsection (a).

PART D—WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM

SEC. 451. PROGRAM AUTHORITY.

(a) IN GENERAL.—There are hereby made available, in accordance with the provisions of this part, such sums as may be necessary (1) to make loans to all eligible students (and the eligible parents of such students) in attendance at participating institutions of higher education selected by the Secretary, to enable such students to pursue their courses of study at such institutions during the period beginning July 1, 1994; [and (2)] *(2)* for purchasing loans under section 459A*; and (3) to make loans under section 460A and section 460B*. Loans made under this part shall be made by participating institutions, or consortia thereof, that have agreements with the Secretary to originate loans, or by alternative originators designated by the Secretary to make loans for students in attendance at participating institutions (and their parents).

(b) DESIGNATION.—

(1) PROGRAM.—The program established under this part shall be referred to as the "William D. Ford Federal Direct Loan Program".

(2) DIRECT LOANS.—Notwithstanding any other provision of this part, loans made to borrowers under this part that, except as otherwise specified in this part, have the same terms, conditions, and benefits as loans made to borrowers under section 428, shall be known as "Federal Direct Stafford/Ford Loans".

* * * * * * *

SEC. 455. TERMS AND CONDITIONS OF LOANS.

(a) IN GENERAL.—

(1) PARALLEL TERMS, CONDITIONS, BENEFITS, AND AMOUNTS.—Unless otherwise specified in this part, loans made to borrowers under this part shall have the same terms, conditions, and benefits, and be available in the same amounts, as loans made to borrowers, and first disbursed on June 30, 2010, under sections 428, 428B, 428C, and 428H of this title.

(2) DESIGNATION OF LOANS.—Loans made to borrowers under this part that, except as otherwise specified in this part, have the same terms, conditions, and benefits as loans made to borrowers under—

(A) section 428 shall be known as "Federal Direct Stafford Loans";

(B) section 428B shall be known as "Federal Direct PLUS Loans";

(C) section 428C shall be known as "Federal Direct Consolidation Loans"; and

(D) section 428H shall be known as "Federal Direct Unsubsidized Stafford Loans".

(3) TERMINATION OF AUTHORITY TO MAKE INTEREST SUBSIDIZED LOANS TO GRADUATE AND PROFESSIONAL STUDENTS.—

(A) IN GENERAL.—Subject to [subparagraph (B)] *subparagraphs (B) and (C)* and notwithstanding any provision of this part or part B, for any period of instruction beginning on or after July 1, 2012—

(i) a graduate or professional student shall not be eligible to receive a Federal Direct Stafford loan under this part; and

(ii) the maximum annual amount of Federal Direct Unsubsidized Stafford loans such a student may borrow in any academic year (as defined in section 481(a)(2)) or its equivalent shall be the maximum annual amount for such student determined under section 428H, plus an amount equal to the amount of Federal Direct Stafford loans the student would have received in the absence of this subparagraph.

(B) EXCEPTION.—Subparagraph (A) shall not apply to an individual enrolled in course work specified in paragraph (3)(B) or (4)(B) of section 484(b).

(C) For any period of instruction at an institution of higher education (as defined in section 101) beginning on or after July 1, 2021, a graduate or professional student shall be eligible to receive a Federal Direct Stafford loan under this part.

(b) INTEREST RATE.—

(1) RATES FOR FDSL AND FDUSL.—For Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans for which the first disbursement is made on or after July 1, 1994, the applicable rate of interest shall, during any 12-month period beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to—

(A) the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to such June 1; plus

(B) 3.1 percent,

except that such rate shall not exceed 8.25 percent.

(2) IN SCHOOL AND GRACE PERIOD RULES.—(A) Notwithstanding the provisions of paragraph (1), but subject to paragraph (3), with respect to any Federal Direct Stafford Loan or Federal Direct Unsubsidized Stafford Loan for which the first disbursement is made on or after July 1, 1995, the applicable rate of interest for interest which accrues—

(i) prior to the beginning of the repayment period of the loan; or

(ii) during the period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in section 428(b)(1)(M) or 427(a)(2)(C),

shall not exceed the rate determined under subparagraph (B).

(B) For the purpose of subparagraph (A), the rate determined under this subparagraph shall, during any 12-month period beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to—

(i) the bond equivalent rate of 91-day Treasury bills auctioned at the final auction prior to such June 1; plus

(ii) 2.5 percent,

except that such rate shall not exceed 8.25 percent.

(3) OUT-YEAR RULE.—Notwithstanding paragraphs (1) and (2), for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans made on or after July 1, 1998, the applicable rate of interest shall, during any 12-month period beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to—

(A) the bond equivalent rate of the security with a comparable maturity as established by the Secretary; plus

(B) 1.0 percent,

except that such rate shall not exceed 8.25 percent.

(4) RATES FOR FDPLUS.—

(A)(i) For Federal Direct PLUS Loans for which the first disbursement is made on or after July 1, 1994, the applicable rate of interest shall, during any 12-month period beginning on July 1 and ending on or before June 30, 2001, be determined on the preceding June 1 and be equal to—

(I) the bond equivalent rate of 52-week Treasury bills auctioned at final auction held prior to such June 1; plus

(II) 3.1 percent,

except that such rate shall not exceed 9 percent.

(ii) For any 12-month period beginning on July 1 of 2001 or any succeeding year, the applicable rate of interest determined under this subparagraph shall be determined on the preceding June 26 and be equal to—

(I) the weekly average 1-year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System, for the last calendar week ending on or before such June 26; plus

(II) 3.1 percent,

except that such rate shall not exceed 9 percent.

(B) For Federal Direct PLUS loans made on or after July 1, 1998, the applicable rate of interest shall, during any 12-month period beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to—

(i) the bond equivalent rate of the security with a comparable maturity as established by the Secretary; plus

(ii) 2.1 percent,

except that such rate shall not exceed 9 percent.

(5) TEMPORARY INTEREST RATE PROVISION.—

(A) RATES FOR FDSL AND FDUSL.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans for which the first disbursement is made on or after July 1, 1998, and before October 1, 1998, the applicable rate of interest shall, during any 12-month period begin-

ning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to—

(i) the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to such June 1; plus

(ii) 2.3 percent,

except that such rate shall not exceed 8.25 percent.

(B) IN SCHOOL AND GRACE PERIOD RULES.—Notwithstanding the preceding paragraphs of this subsection, with respect to any Federal Direct Stafford Loan or Federal Direct Unsubsidized Stafford Loan for which the first disbursement is made on or after July 1, 1998, and before October 1, 1998, the applicable rate of interest for interest which accrues—

(i) prior to the beginning of the repayment period of the loan; or

(ii) during the period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in section 428(b)(1)(M) or 427(a)(2)(C),

shall be determined under subparagraph (A) by substituting "1.7 percent" for "2.3 percent".

(C) PLUS LOANS.—Notwithstanding the preceding paragraphs of this subsection, with respect to Federal Direct PLUS Loan for which the first disbursement is made on or after July 1, 1998, and before October 1, 1998, the applicable rate of interest shall be determined under subparagraph (A)—

(i) by substituting "3.1 percent" for "2.3 percent"; and

(ii) by substituting "9.0 percent" for "8.25 percent".

(6) INTEREST RATE PROVISION FOR NEW LOANS ON OR AFTER OCTOBER 1, 1998, AND BEFORE JULY 1, 2006.—

(A) RATES FOR FDSL AND FDUSL.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans for which the first disbursement is made on or after October 1, 1998, and before July 1, 2006, the applicable rate of interest shall, during any 12-month period beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to—

(i) the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to such June 1; plus

(ii) 2.3 percent,

except that such rate shall not exceed 8.25 percent.

(B) IN SCHOOL AND GRACE PERIOD RULES.—Notwithstanding the preceding paragraphs of this subsection, with respect to any Federal Direct Stafford Loan or Federal Direct Unsubsidized Stafford Loan for which the first disbursement is made on or after October 1, 1998, and before July 1, 2006, the applicable rate of interest for interest which accrues—

(i) prior to the beginning of the repayment period of the loan; or

(ii) during the period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in section 428(b)(1)(M) or 427(a)(2)(C),

shall be determined under subparagraph (A) by substituting "1.7 percent" for "2.3 percent".

(C) PLUS LOANS.—Notwithstanding the preceding paragraphs of this subsection, with respect to Federal Direct PLUS Loan for which the first disbursement is made on or after October 1, 1998, and before July 1, 2006, the applicable rate of interest shall be determined under subparagraph (A)—

(i) by substituting "3.1 percent" for "2.3 percent"; and

(ii) by substituting "9.0 percent" for "8.25 percent".

(D) CONSOLIDATION LOANS.—Notwithstanding the preceding paragraphs of this subsection, any Federal Direct Consolidation loan for which the application is received on or after February 1, 1999, and before July 1, 2006, shall bear interest at an annual rate on the unpaid principal balance of the loan that is equal to the lesser of—

(i) the weighted average of the interest rates on the loans consolidated, rounded to the nearest higher one-eighth of one percent; or

(ii) 8.25 percent.

(E) TEMPORARY RULES FOR CONSOLIDATION LOANS.—Notwithstanding the preceding paragraphs of this subsection, any Federal Direct Consolidation loan for which the application is received on or after October 1, 1998, and before February 1, 1999, shall bear interest at an annual rate on the unpaid principal balance of the loan that is equal to—

(i) the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to such June 1; plus

(ii) 2.3 percent,

except that such rate shall not exceed 8.25 percent.

(7) INTEREST RATE PROVISION FOR NEW LOANS ON OR AFTER JULY 1, 2006 AND BEFORE JULY 1, 2013.—

(A) RATES FOR FDSL AND FDUSL.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans for which the first disbursement is made on or after July 1, 2006, and before July 1, 2013, the applicable rate of interest shall be 6.8 percent on the unpaid principal balance of the loan.

(B) PLUS LOANS.—Notwithstanding the preceding paragraphs of this subsection, with respect to any Federal Direct PLUS loan for which the first disbursement is made on or after July 1, 2006, and before July 1, 2013, the applicable rate of interest shall be 7.9 percent on the unpaid principal balance of the loan.

(C) CONSOLIDATION LOANS.—Notwithstanding the preceding paragraphs of this subsection, any Federal Direct Consolidation loan for which the application is received on or after July 1, 2006, and before July 1, 2013, shall bear

interest at an annual rate on the unpaid principal balance of the loan that is equal to the lesser of—

(i) the weighted average of the interest rates on the loans consolidated, rounded to the nearest higher one-eighth of one percent; or

(ii) 8.25 percent.

(D) REDUCED RATES FOR UNDERGRADUATE FDSL.—Notwithstanding the preceding paragraphs of this subsection and subparagraph (A) of this paragraph, for Federal Direct Stafford Loans made to undergraduate students for which the first disbursement is made on or after July 1, 2006, and before July 1, 2013, the applicable rate of interest shall be as follows:

(i) For a loan for which the first disbursement is made on or after July 1, 2006, and before July 1, 2008, 6.8 percent on the unpaid principal balance of the loan.

(ii) For a loan for which the first disbursement is made on or after July 1, 2008, and before July 1, 2009, 6.0 percent on the unpaid principal balance of the loan.

(iii) For a loan for which the first disbursement is made on or after July 1, 2009, and before July 1, 2010, 5.6 percent on the unpaid principal balance of the loan.

(iv) For a loan for which the first disbursement is made on or after July 1, 2010, and before July 1, 2011, 4.5 percent on the unpaid principal balance of the loan.

(v) For a loan for which the first disbursement is made on or after July 1, 2011, and before July 1, 2013, 3.4 percent on the unpaid principal balance of the loan.

(8) INTEREST RATE PROVISIONS FOR NEW LOANS ON OR AFTER JULY 1, 2013.—

(A) RATES FOR UNDERGRADUATE FDSL AND FDUSL.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans issued to undergraduate students, for which the first disbursement is made on or after July 1, 2013, the applicable rate of interest shall, for loans disbursed during any 12-month period beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to the lesser of—

(i) a rate equal to the high yield of the 10-year Treasury note auctioned at the final auction held prior to such June 1 plus 2.05 percent; or

(ii) 8.25 percent.

(B) RATES FOR GRADUATE AND PROFESSIONAL FDUSL.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct Unsubsidized Stafford Loans *and Federal Direct Stafford Loans* issued to graduate or professional students, for which the first disbursement is made on or after July 1, 2013, the applicable rate of interest shall, for loans disbursed during any 12-month period

beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to the lesser of—

(i) a rate equal to the high yield of the 10-year Treasury note auctioned at the final auction held prior to such June 1 plus 3.6 percent; or

(ii) 9.5 percent.

(C) PLUS LOANS.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct PLUS Loans, for which the first disbursement is made on or after July 1, 2013, the applicable rate of interest shall, for loans disbursed during any 12-month period beginning on July 1 and ending on June 30, be determined on the preceding June 1 and be equal to the lesser of—

(i) a rate equal to the high yield of the 10-year Treasury note auctioned at the final auction held prior to such June 1 plus 4.6 percent; or

(ii) 10.5 percent.

(D) CONSOLIDATION LOANS.—Notwithstanding the preceding paragraphs of this subsection, any Federal Direct Consolidation Loan for which the application is received on or after July 1, 2013, shall bear interest at an annual rate on the unpaid principal balance of the loan that is equal to the weighted average of the interest rates on the loans consolidated, rounded to the nearest higher one-eighth of one percent.

(E) CONSULTATION.—The Secretary shall determine the applicable rate of interest under this paragraph after consultation with the Secretary of the Treasury and shall publish such rate in the Federal Register as soon as practicable after the date of determination.

(F) RATE.—The applicable rate of interest determined under this paragraph for a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, or a Federal Direct PLUS Loan shall be fixed for the period of the loan.

(9) REPAYMENT INCENTIVES.—

(A)(A) INCENTIVES FOR LOANS DISBURSED BEFORE JULY 1, 2012.—Notwithstanding any other provision of this part with respect to loans for which the first disbursement of principal is made before July 1, 2012,, the Secretary is authorized to prescribe by regulation such reductions in the interest or origination fee rate paid by a borrower of a loan made under this part as the Secretary determines appropriate to encourage on-time repayment of the loan. Such reductions may be offered only if the Secretary determines the reductions are cost neutral and in the best financial interest of the Federal Government. Any increase in subsidy costs resulting from such reductions shall be completely offset by corresponding savings in funds available for the William D. Ford Federal Direct Loan Program in that fiscal year from section 458 and other administrative accounts.

(B) ACCOUNTABILITY.—Prior to publishing regulations proposing repayment incentives with respect to loans for which the first disbursement of principal is made before July 1, 2012, the Secretary shall ensure the cost neutrality

of such reductions. The Secretary shall not prescribe such regulations in final form unless an official report from the Director of the Office of Management and Budget to the Secretary and a comparable report from the Director of the Congressional Budget Office to the Congress each certify that any such reductions will be completely cost neutral. Such reports shall be transmitted to the authorizing committees not less than 60 days prior to the publication of regulations proposing such reductions.

(C) NO REPAYMENT INCENTIVES FOR NEW LOANS DISBURSED ON OR AFTER JULY 1, 2012.—Notwithstanding any other provision of this part, the Secretary is prohibited from authorizing or providing any repayment incentive not otherwise authorized under this part to encourage on-time repayment of a loan under this part for which the first disbursement of principal is made on or after July 1, 2012, including any reduction in the interest or origination fee rate paid by a borrower of such a loan, except that the Secretary may provide for an interest rate reduction for a borrower who agrees to have payments on such a loan automatically electronically debited from a bank account.

(10) PUBLICATION.—The Secretary shall determine the applicable rates of interest under this subsection after consultation with the Secretary of the Treasury and shall publish such rate in the Federal Register as soon as practicable after the date of determination.

[(c) LOAN FEE.—

[(1) IN GENERAL.—The Secretary shall charge the borrower of a loan made under this part an origination fee of 4.0 percent of the principal amount of loan.

[(2) SUBSEQUENT REDUCTION.—Paragraph (1) shall be applied to loans made under this part, other than Federal Direct Consolidation loans and Federal Direct PLUS loans—

[(A) by substituting "3.0 percent" for "4.0 percent" with respect to loans for which the first disbursement of principal is made on or after the date of enactment of the Higher Education Reconciliation Act of 2005, and before July 1, 2007;

[(B) by substituting "2.5 percent" for "4.0 percent" with respect to loans for which the first disbursement of principal is made on or after July 1, 2007, and before July 1, 2008;

[(C) by substituting "2.0 percent" for "4.0 percent" with respect to loans for which the first disbursement of principal is made on or after July 1, 2008, and before July 1, 2009;

[(D) by substituting "1.5 percent" for "4.0 percent" with respect to loans for which the first disbursement of principal is made on or after July 1, 2009, and before July 1, 2010; and

[(E) by substituting "1.0 percent" for "4.0 percent" with respect to loans for which the first disbursement of principal is made on or after July 1, 2010.]

(d) REPAYMENT PLANS.—

(1) DESIGN AND SELECTION.—Consistent with criteria established by the Secretary, the Secretary shall offer a borrower of a loan made under this part a variety of plans for repayment of such loan, including principal and interest on the loan. The borrower shall be entitled to accelerate, without penalty, repayment on the borrower's loans under this part. The borrower may choose—

(A) a standard repayment plan, consistent with subsection (a)(1) of this section and with section 428(b)(9)(A)(i);

(B) a graduated repayment plan, consistent with section 428(b)(9)(A)(ii);

(C) an extended repayment plan, consistent with section 428(b)(9)(A)(iv), except that the borrower shall annually repay a minimum amount determined by the Secretary in accordance with section 428(b)(1)(L);

(D) an income contingent repayment plan, with varying annual repayment amounts based on the income of the borrower, paid over an extended period of time prescribed by the Secretary, not to exceed 25 years, except that the plan described in this subparagraph shall not be available to the borrower of a Federal Direct PLUS loan made on behalf of a dependent student; and

(E) beginning on July 1, 2009, an income-based repayment plan that enables borrowers who have a partial financial hardship to make a lower monthly payment in accordance with section 493C, except that the plan described in this subparagraph shall not be available to the borrower of a Federal Direct PLUS Loan made on behalf of a dependent student or a Federal Direct Consolidation Loan, if the proceeds of such loan were used to discharge the liability on such Federal Direct PLUS Loan or a loan under section 428B made on behalf of a dependent student.

(2) DESIGN AND SELECTION ON AND AFTER JULY 1, 2021.—

(A) IN GENERAL.—Notwithstanding paragraph (1), for the borrower of a loan made on or after July 1, 2021, and for other borrowers subject to paragraph (7), the Secretary shall offer a borrower of a loan made under this part 2 plans for repayment of such loan, including principal and interest on the loan. The borrower shall be entitled to accelerate, without penalty, repayment on the borrower's loans under this part. The borrower may choose—

(i) a fixed repayment plan described in section 493E; or

(ii) the income-based repayment plan under section 493C(f).

(B) SELECTION BY THE SECRETARY.—If a borrower of a loan made under this part on or after July 1, 2021, does not select a repayment plan described in subparagraph (A), the Secretary may provide the borrower with a fixed repayment plan described in section 493E.

(C) CHANGES IN SELECTIONS.—Beginning on July 1, 2021, a borrower of a loan made under this part may change the borrower's selection of a repayment plan in ac-

cordance with paragraph (7) and under such terms and conditions as may be established by the Secretary.

[(2)**]** *(3)* SELECTION BY SECRETARY.—If a borrower of a loan made under this part does not select a repayment plan described in paragraph (1), the Secretary may provide the borrower with a repayment plan described in subparagraph (A), (B), or (C) of paragraph (1).

[(3)**]** *(4)* CHANGES IN SELECTIONS.—The borrower of a loan made under this part may change the borrower's selection of a repayment plan under paragraph (1), or the Secretary's selection of a plan for the borrower under paragraph (2), as the case may be, under such terms and conditions as may be established by the Secretary.

[(4)**]** *(5)* ALTERNATIVE REPAYMENT PLANS.—The Secretary may provide, on a case by case basis, an alternative repayment plan to a borrower of a loan made under this part who demonstrates to the satisfaction of the Secretary that the terms and conditions of the repayment plans available under paragraph (1) are not adequate to accommodate the borrower's exceptional circumstances. In designing such alternative repayment plans, the Secretary shall ensure that such plans do not exceed the cost to the Federal Government, as determined on the basis of the present value of future payments by such borrowers, of loans made using the plans available under paragraph (1).

[(5)**]** *(6)* REPAYMENT AFTER DEFAULT.—The Secretary may require any borrower who has defaulted on a loan made under this part to—

(A) pay all reasonable collection costs associated with such loan; and

(B) repay the loan pursuant to **[**an income contingent repayment plan.**]** *the income-based repayment plan under section 493C(f).*

(7) BORROWERS OF LOANS MADE BEFORE JULY 1, 2021.—A borrower who is in repayment on a loan made under part B or part D before July 1, 2021—

(A) may choose to retain the repayment plan that the borrower was enrolled in on the day before such date;

(B) may elect to—

(i) enter the income-based repayment plan under section 493C(f); or

(ii) enter a fixed repayment plan described in section 493E; and

(C) after electing to leave a repayment plan other than an income-based repayment plan described under section 493C(f) or a fixed repayment plan described in section 493E, shall not be permitted to re-elect a repayment plan that is not an income-based repayment plan under section 493C(f) or a fixed repayment plan described in section 493E.

(8) NOTIFICATION AND AUTOMATIC ENROLLMENT PROCEDURES FOR BORROWERS WHO ARE DELINQUENT ON LOANS.—

(A) AUTHORITY TO OBTAIN INCOME INFORMATION.—In the case of any borrower who is at least 60 days delinquent on a covered loan, the Secretary may obtain such information

as is reasonably necessary regarding the income and family size of the borrower (and the borrower's spouse, if applicable).

(B) BORROWER NOTIFICATION.—With respect to each borrower of a covered loan who is at least 60 days delinquent on such loan and who has not been subject to the procedures under this paragraph for such loan in the preceding 120 days, the Secretary shall, as soon as practicable after such 60-day delinquency, provide to the borrower the following:

(i) Notification that the borrower is at least 60 days delinquent on at least 1 covered loan, and a description of all delinquent covered loans, nondelinquent covered loans, and noncovered loans of the borrower.

(ii) A brief description of the repayment plans for which the borrower is eligible and the covered loans and noncovered loans of the borrower that may be eligible for such plans, based on information available to the Secretary.

(iii) The amount of monthly payments for the covered and noncovered loans under the income-based repayment plan under section 493C(f) and the fixed repayment plan described in section 493E, based on information available to the Secretary, including, if the income information of the borrower is available to the Secretary under subparagraph (A)—

(I) the amount of the monthly payment under the income-based repayment plan under section 493C(f) and the fixed repayment plan described in section 493E for which the borrower is eligible for the borrower's covered and noncovered loans, based on such income information; and

(II) the income, family size, tax filing status, and tax year information on which each monthly payment is based.

(iv) Clear and simple instructions on how to select the repayment plans.

(v) An explanation that, in the case of a borrower for whom adjusted gross income is unavailable—

(I) if the borrower selects to repay the covered loans of such borrower pursuant to the income-based repayment plan under section 493C(f) that defines discretionary income in such a manner that an individual not required under section 6012(a)(1) of the Internal Revenue Code of 1986 to file a return with respect to income taxes imposed by subtitle A of such Code may have a calculated monthly payment greater than $0, the borrower will be required to provide the Secretary with other documentation of income satisfactory to the Secretary, which documentation the Secretary may use to determine an appropriate repayment schedule; and

(II) if the borrower selects to repay such loans pursuant to an income-driven repayment plan that

is not described in subclause (I), the borrower will not be required to provide the Secretary with such other documentation of income, and the borrower will have a calculated monthly payment of $0.

(vi) An explanation that the Secretary shall take the actions under subparagraph (C) with respect to such borrower, if—

(I) the borrower is 120 days delinquent on 1 or more covered loans and has not selected a new repayment plan for the covered loans of the borrower; and

(II) in the case of such a borrower whose repayment plan for the covered loans of the borrower is not an income-driven repayment plan described in subparagraph (D) or (E) of paragraph (1), the monthly payments under such repayment plan are higher than such monthly payments would be under the income-based repayment plan under section 493C(f).

(vii) Instructions on updating the information of the borrower obtained under subparagraph (A).

(C) SECRETARY'S INITIAL SELECTION OF A PLAN.—With respect to each borrower described in subparagraph (B) who has a repayment plan for the covered loans of the borrower that meets the requirements of clause (vi)(II) of subparagraph (B) and has not selected a new repayment plan for such loans in accordance with the notice received under such subparagraph, and who is at least 120 days delinquent on such a loan, the Secretary shall, as soon as practicable—

(i) provide the borrower with the income-based repayment plan under section 493C(f); and

(ii) authorize the borrower to change the Secretary's selection of a plan under this clause to the fixed repayment plan described in section 493E.

(D) OPT-OUT.—A borrower of a covered loan shall have the right to opt out of the procedures under this paragraph.

(E) PROCEDURES.—The Secretary shall establish procedures as are necessary to effectively implement this paragraph.

(9) NOTIFICATION AND AUTOMATIC ENROLLMENT PROCEDURES FOR BORROWERS WHO ARE REHABILITATING DEFAULTED LOANS.—

(A) AUTHORITY TO OBTAIN INCOME INFORMATION.—In the case of any borrower who is rehabilitating a covered loan pursuant to section 428F(a), the Secretary may obtain such information as is reasonably necessary regarding the income and family size of the borrower (and the borrower's spouse, if applicable).

(B) BORROWER NOTIFICATION.—Not later than 30 days after a borrower makes the 6th payment required for the loan rehabilitation described in subparagraph (A), the Secretary shall notify the borrower of the process under subparagraph (C) with respect to such loan.

(C) SECRETARY'S SELECTION OF PLAN.—With respect to each borrower who has made the 9th payment required for

the loan rehabilitation described in subparagraph (A), the Secretary shall, as soon as practicable after such payment, provide the borrower with the income-based repayment plan under section 493C(f), without regard to whether the loan has been so rehabilitated.

(D) OPT-OUT.—A borrower of a covered loan shall have the right to opt out of the procedures under this paragraph.

(E) PROCEDURES.—The Secretary shall establish procedures as are necessary to effectively implement this paragraph.

(10) DEFINITIONS.—In this subsection:

(A) COVERED LOAN.—The term "covered loan" means—

(i) a loan made under this part;

(ii) a loan purchased under section 459A; or

(iii) a loan that has been assigned to the Secretary under section 428(c)(8) or part E.

(B) NONCOVERED LOAN.—The term "noncovered loan" means a loan made, insured, or guaranteed under this title that is not a covered loan.

(11) APPLICATION OF PREPAYMENT AMOUNTS.—

(A) REQUIREMENT.—Notwithstanding any other provision of this subsection or any other provision of law—

(i) with respect to loans made to an eligible borrower under this part or part B, which are held by the same holder and which have different applicable rates of interest, the holder of such loans shall, unless otherwise requested by the borrower in writing, apply the borrower's prepayment amount (within the meaning of section 682.209(b) of title 34, Code of Federal Regulations, or a successor regulation) for one or more of such loans, first toward the outstanding balance of principal due on the loan with the highest applicable rate of interest among such loans; and

(ii) except as provided in clause (i), with respect to loans made to an eligible borrower under this part or part B, which are held by the same holder and which have the same applicable rates of interest, the holder of such loans shall, unless otherwise requested by the borrower in writing, apply the borrower's prepayment amount (within the meaning of section 682.209(b) of title 34, Code of Federal Regulations, or a successor regulation) for one or more of such loans, first toward the outstanding balance of principal due on the loan with the highest principal balance among such loans.

(B) ELIGIBLE BORROWER.—

(i) IN GENERAL.—For purposes of this paragraph, the term "eligible borrower" means a borrower with no outstanding balance of fees, including collection costs and authorized late charges, due on any loan made under this part or part B.

(ii) PREPAYMENT AMOUNTS.—A prepayment amount (as described in subparagraph (A)) made by a borrower who is not an eligible borrower to a holder shall be applied first toward the borrower's outstanding balance of fees, including collection costs and authorized late

charges, due on any loan made under this part or part B held by such holder.

(e) INCOME CONTINGENT REPAYMENT.—

(1) INFORMATION AND PROCEDURES.—The Secretary may obtain such information as is reasonably necessary regarding the income of a borrower (and the borrower's spouse, if applicable) of a loan made under this part that is, or may be, repaid pursuant to income contingent repayment, for the purpose of determining the annual repayment obligation of the borrower. Returns and return information (as defined in section 6103 of the Internal Revenue Code of 1986) may be obtained under the preceding sentence only to the extent authorized by section 6103(l)(13) of such Code. The Secretary shall establish procedures for determining the borrower's repayment obligation on that loan for such year, and such other procedures as are necessary to implement effectively income contingent repayment.

(2) REPAYMENT BASED ON ADJUSTED GROSS INCOME.—A repayment schedule for a loan made under this part and repaid pursuant to income contingent repayment shall be based on the adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) of the borrower or, if the borrower is married and files a Federal income tax return jointly with the borrower's spouse, on the adjusted gross income of the borrower and the borrower's spouse.

(3) ADDITIONAL DOCUMENTS.—A borrower who chooses, or is required, to repay a loan made under this part pursuant to income contingent repayment, and for whom adjusted gross income is unavailable or [does not reasonably reflect the borrower's current income] *whose income has decreased relative to the adjusted gross income available to the Secretary*, shall provide to the Secretary other documentation of income satisfactory to the Secretary, which documentation the Secretary may use to determine an appropriate repayment schedule*, consistent with the procedures established under paragraph (9)(B)(iv)*.

(4) REPAYMENT SCHEDULES.—Income contingent repayment schedules shall be established by regulations promulgated by the Secretary and shall require payments that vary in relation to the appropriate portion of the annual income of the borrower (and the borrower's spouse, if applicable) as determined by the Secretary.

(5) CALCULATION OF BALANCE DUE.—The balance due on a loan made under this part that is repaid pursuant to income contingent repayment shall equal the unpaid principal amount of the loan, any accrued interest, and any fees, such as late charges, assessed on such loan. The Secretary may promulgate regulations limiting the amount of interest that may be capitalized on such loan, and the timing of any such capitalization.

(6) NOTIFICATION TO BORROWERS.—The Secretary shall establish procedures under which a borrower of a loan made under this part who chooses or is required to repay such loan pursuant to income contingent repayment is notified of the terms and conditions of such plan, including notification of such borrower—

(A) that the Internal Revenue Service will disclose to the Secretary tax return information as authorized under section 6103(l)(13) of the Internal Revenue Code of 1986; and

(B) that if a borrower considers that special circumstances, such as a loss of employment by the borrower or the borrower's spouse, warrant an adjustment in the borrower's loan repayment as determined using the information described in subparagraph (A), or the alternative documentation described in paragraph (3), the borrower may contact the Secretary, who shall determine whether such adjustment is appropriate, in accordance with criteria established by the Secretary.

(7) MAXIMUM REPAYMENT PERIOD.—In calculating the extended period of time for which an income contingent repayment plan under this subsection may be in effect for a borrower, the Secretary shall include all time periods during which a borrower of loans under part B, part D, or part E—

(A) is not in default on any loan that is included in the income contingent repayment plan; and

(B)(i) is in deferment due to an economic hardship described in section 435(o);

(ii) makes monthly payments under paragraph (1) or (6) of section 493C(b);

(iii) makes monthly payments of not less than the monthly amount calculated under section 428(b)(9)(A)(i) or subsection (d)(1)(A), based on a 10-year repayment period, when the borrower first made the election described in section 493C(b)(1);

(iv) makes payments of not less than the payments required under a standard repayment plan under section 428(b)(9)(A)(i) or subsection (d)(1)(A) with a repayment period of 10 years; **[**or**]**

(v) makes payments under an income contingent repayment plan under subsection (d)(1)(D)**[**.**]***;*

(vi) makes payments under the income-based repayment plan under section 493C(f); or

(vii) makes payments under the fixed repayment plan described in section 493E.

(8) ADDITIONAL QUALIFYING REPAYMENT PLANS.—A borrower repaying a loan pursuant to income-contingent repayment under this subsection may elect at any time to terminate repayment under such repayment plan and repay such loan under the income-based repayment plan under section 493C(f) or the fixed repayment plan described in section 493E.

(9) AUTOMATIC RECERTIFICATION.—

(A) DEFINITION.—In this paragraph, the term "covered loan" has the meaning given the term in subsection (d)(10).

(B) IN GENERAL.—Beginning as soon as the Secretary determines practicable after the Secretary finalizes the procedures under section 9004 of the College Affordability Act, but not later than 2 years after the date of enactment of such Act, the Secretary shall establish and implement, with respect to any borrower described in subparagraph (C), procedures to—

(i) obtain (for each year of repayment and without further action by the borrower) such information as is reasonably necessary regarding the income of such borrower (and the borrower's spouse, if applicable), for the purpose of determining the repayment obligation of the borrower for such year, including information with respect to the borrower's family size in accordance with the procedures under section 9004 of the College Affordability Act, subject to clause (ii);

(ii) allow the borrower, at any time, to opt out of clause (i) and prevent the Secretary from obtaining information under such clause without further action by the borrower;

(iii) provide the borrower with an opportunity to update the information obtained under clause (i) before the determination of the annual repayment obligation of the borrower; and

(iv) in the case of a borrower for whom adjusted gross income is unavailable—

(I) if the borrower has selected to repay the covered loans of such borrower pursuant to an income contingent repayment plan that defines discretionary income in such a manner that an individual not required under section 6012(a)(1) of the Internal Revenue Code of 1986 to file a return with respect to income taxes imposed by subtitle A of such Code may have a calculated monthly payment greater than $0, the borrower will be required to provide the Secretary with other documentation of income satisfactory to the Secretary, which documentation the Secretary may use to determine an appropriate repayment schedule; or

(II) if the borrower has selected to repay such loans pursuant to an income contingent repayment that is not described in subclause (I), the borrower will not be required to provide the Secretary with such other documentation of income, and the borrower will have a calculated monthly payment of $0.

(C) APPLICABILITY.—Subparagraph (B) shall apply to each borrower of a covered loan who, on or after the date on which the Secretary establishes procedures under such subparagraph, recertifies income and family size under such plan.

(D) OTHER REQUIREMENTS.—The procedures established by the Secretary under this paragraph shall be consistent with the requirements of paragraphs (1) through (7), except as otherwise provided in this paragraph.

(f) DEFERMENT *AND FORBEARANCE*.—

(1) EFFECT ON PRINCIPAL AND INTEREST.—A borrower of a loan made under this part who meets the requirements described in paragraph (2) shall be eligible for a deferment, during which periodic installments of principal need not be paid, and interest—

(A) shall not accrue, in the case of a—

(i) Federal Direct Stafford Loan; or

(ii) a Federal Direct Consolidation Loan that consolidated only Federal Direct Stafford Loans, or a combination of such loans and Federal Stafford Loans for which the student borrower received an interest subsidy under section 428; or

[(B) shall accrue and be capitalized or paid by the borrower, in the case of a Federal Direct PLUS Loan, a Federal Direct Unsubsidized Stafford Loan, or a Federal Direct Consolidation Loan not described in subparagraph (A)(ii).]

(B) in the case of a Federal Direct PLUS Loan, a Federal Direct Unsubsidized Stafford Loan, or a Federal Direct Consolidation Loan not described in subparagraph (A)(ii), beginning on or after the date of enactment of the College Affordability Act—

(i) for a deferment during a period described in paragraph (2)(A)(i), shall accrue and be capitalized or paid by the borrower; and

(ii) for a deferment during a period described in subparagraphs (B) through (D) of paragraph (2), shall accrue but not be capitalized.

(2) ELIGIBILITY.—A borrower of a loan made under this part shall be eligible for a deferment during any period—

(A) during which the borrower—

(i) is carrying at least one-half the normal full-time work load for the course of study that the borrower is pursuing, as determined by the eligible institution (as such term is defined in section 435(a)) the borrower is attending; or

(ii) is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary, or pursuant to a rehabilitation training program for individuals with disabilities approved by the Secretary,

except that no borrower shall be eligible for a deferment under this subparagraph, or a loan made under this part (other than a Federal Direct PLUS Loan or a Federal Direct Consolidation Loan), while serving in a medical internship or residency program;

(B) not in excess of 3 years during which the borrower is seeking and unable to find full-time employment;

(C) during which the borrower—

(i) is serving on active duty during a war or other military operation or national emergency; or

(ii) is performing qualifying National Guard duty during a war or other military operation or national emergency,

and for the 180-day period following the demobilization date for the service described in clause (i) or (ii); or

(D) not in excess of 3 years during which the Secretary determines, in accordance with regulations prescribed under section 435(o), that the borrower has experienced or will experience an economic hardship.

(3) DEFERMENT FOR BORROWERS RECEIVING CANCER TREATMENT.—

(A) EFFECT ON PRINCIPAL AND INTEREST.—A borrower of a loan made under this part who meets the requirements of subparagraph (B) shall be eligible for a deferment, during which periodic installments of principal need not be paid, and interest shall not accrue.

(B) ELIGIBILITY.—A borrower of a loan made under this part shall be eligible for a deferment during—

(i) any period in which such borrower is receiving treatment for cancer; and

(ii) the 6 months after such period.

(C) APPLICABILITY.—This paragraph shall apply with respect to loans—

(i) made on or after the date of the enactment of this paragraph; or

(ii) in repayment on the date of the enactment of this paragraph.

(4) DEFINITION OF BORROWER.—For the purpose of this subsection, the term "borrower" means an individual who is a new borrower on the date such individual applies for a loan under this part for which the first disbursement is made on or after July 1, 1993.

(5) DEFERMENTS FOR PREVIOUS PART B LOAN BORROWERS.—A borrower of a loan made under this part, who at the time such individual applies for such loan, has an outstanding balance of principal or interest owing on any loan made, insured, or guaranteed under part B of title IV prior to July 1, 1993, shall be eligible for a deferment under section 427(a)(2)(C) or section 428(b)(1)(M) as such sections were in effect on July 22, 1992.

(6) FORBEARANCE.—At the expiration of a period of forbearance that begins on or after the date of enactment of the College Affordability Act, interest may accrue but shall not be capitalized on any loans made under this part.

(g) FEDERAL DIRECT CONSOLIDATION LOANS.—[A borrower]

(1) IN GENERAL.—A borrower of a loan made under this part may consolidate such loan with the loans described in section 428C(a)(4), including any loan made under part B and first disbursed before July 1, 2010. To be eligible for a consolidation loan under this part, a borrower shall meet the eligibility criteria set forth in section 428C(a)(3).

(2) SEPARATING JOINT CONSOLIDATION LOANS.—

(A) IN GENERAL.—A married couple, or 2 individuals who were previously a married couple, and who received a joint consolidation loan as such married couple under subparagraph (C) of section 428C(a)(3) (as such subparagraph was in effect on or before June 30, 2006), may apply to the Secretary for each individual borrower in the married couple (or previously married couple) to receive a separate Federal Direct Consolidation Loan under this part—

(i) that shall—

(I) unless the Secretary receives notice of an agreement described in subclause (II)(aa), be equal to the sum of—

(aa) the unpaid principal and accrued unpaid interest of the percentage of the joint consolidation loan that, as of the day before such

joint consolidation loan was made, was attributable to the loans of the individual borrower for whom such separate consolidation loan is being made; and

(bb) any other loans described in section 428C(a)(4) that such individual borrower selects for consolidation under this part; or

(II) be equal to the sum of—

(aa) the unpaid principal and accrued unpaid interest of the percentage of the joint consolidation loan that, as of the date of application under this paragraph, the married couple (or previously married couple) agrees shall be considered attributable to the loans of the individual borrower for whom such separate consolidation loan is being made; and

(bb) any other loans described in section 428C(a)(4) that such individual borrower selects for consolidation under this part;

(ii) the proceeds of which shall be paid by the Secretary to the holder or holders—

(I) of the joint consolidation loan for the purpose of discharging the liability on the percentage of such joint consolidation loan described in subclause (I)(aa) or (II)(aa) of clause (i); and

(II) of the loans selected for consolidation under subclause (I)(bb) or subclause (II)(bb) of clause (i) for the purpose of discharging the liability on such loans;

(iii) except as otherwise provided in this paragraph, that has the same terms and conditions, and rate of interest as the joint consolidation loan;

(iv) for which any payment made under section 455(m)(1)(A) on the joint consolidation loan during a period in which the individual borrower for whom such separate consolidation loan is being made was employed in a public service job described in section 455(m)(1)(B) shall be treated as if such payment were made on the portion of the separate consolidation loan described in clause (i)(I)(aa); and

(v) for which any payment made under any repayment plan described in section 455(d)(1) on the joint consolidation loan shall be treated as if such payment were made on such portion of such separate consolidation loan.

(B) APPLICATION FOR SEPARATE DIRECT CONSOLIDATION LOAN.—

(i) JOINT APPLICATION.—Except as provided in clause (ii), to receive separate consolidation loans under subparagraph (A), both individual borrowers in a married couple (or previously married couple) shall jointly apply under subparagraph (A).

(ii) SEPARATE APPLICATION.—An individual borrower in a married couple (or previously married couple) may apply for a separate consolidation loan under subpara-

graph (A) separately and without regard to whether or when the other individual borrower in the married couple (or previously married couple) applies under subparagraph (A), in a case in which—

(I) the individual borrower has experienced from the other individual borrower—

(aa) domestic violence (as defined in section 40002(a) of the Violence Against Women Act of 1994 (34 U.S.C. 12291(a))); or

(bb) economic abuse (including behaviors that control such borrower's ability to acquire, use, and maintain access to money, credit, or the joint financial obligations of both borrowers);

(II) the individual borrower certifies, on a form approved by the Secretary, that such borrower is unable to reasonably reach or access the loan information of the other individual borrower; or

(III) the Secretary determines that authorizing each individual borrower to apply separately under subparagraph (A) would be in the best fiscal interests of the Federal Government.

(C) BORROWER ELIGIBILITY.—Notwithstanding section 428C(a)(3)(A), the Secretary shall award a consolidation loan under this part to each borrower who—

(i) applies for such loan under subparagraph (A); and

(ii) meets the requirements of subparagraphs (A) and (B).

(3) CONSUMER REPORTING AGENCIES.—Upon obtaining a Federal Direct Consolidation Loan that discharges the liability on a defaulted loan made, insured, or guaranteed under this title, the Secretary, guaranty agency, or other holder of the loan shall request any consumer reporting agency to which the Secretary, guaranty agency or holder, as applicable, reported the default of the loan, to remove any adverse item of information relating to a delinquent or defaulted loan made, insured, or guaranteed under this title from the borrower's credit history.

[(h) BORROWER DEFENSES.—Notwithstanding any other provision of State or Federal law, the Secretary shall specify in regulations which acts or omissions of an institution of higher education a borrower may assert as a defense to repayment of a loan made under this part, except that in no event may a borrower recover from the Secretary, in any action arising from or relating to a loan made under this part, an amount in excess of the amount such borrower has repaid on such loan.]

(i) LOAN APPLICATION AND PROMISSORY NOTE.—The common financial reporting form required in section 483(a)(1) shall constitute the application for loans made under this part (other than a Federal Direct PLUS loan). The Secretary shall develop, print, and distribute to participating institutions a standard promissory note and loan disclosure form.

(j) LOAN DISBURSEMENT.—

(1) IN GENERAL.—Proceeds of loans to students under this part shall be applied to the student's account for tuition and

fees, and, in the case of institutionally owned housing, to room and board. Loan proceeds that remain after the application of the previous sentence shall be delivered to the borrower by check or other means that is payable to and requires the endorsement or other certification by such borrower.

(2) PAYMENT PERIODS.—The Secretary shall establish periods for the payments described in paragraph (1) in a manner consistent with payment of Federal Pell Grants under subpart 1 of part A of this title.

(k) FISCAL CONTROL AND FUND ACCOUNTABILITY.—

(1) IN GENERAL.—(A) An institution shall maintain financial records in a manner consistent with records maintained for other programs under this title.

(B) Except as otherwise required by regulations of the Secretary an institution may maintain loan funds under this part in the same account as other Federal student financial assistance.

(2) PAYMENTS AND REFUNDS.—Payments and refunds shall be reconciled in a manner consistent with the manner set forth for the submission of a payment summary report required of institutions participating in the program under subpart 1 of part A, except that nothing in this paragraph shall prevent such reconciliations on a monthly basis.

(3) TRANSACTION HISTORIES.—All transaction histories under this part shall be maintained using the same system designated by the Secretary for the provision of Federal Pell Grants under subpart 1 of part A of this title.

(l) ARMED FORCES STUDENT LOAN INTEREST PAYMENT PROGRAM.—

(1) AUTHORITY.—Using funds received by transfer to the Secretary under section 2174 of title 10, United States Code, for the payment of interest on a loan made under this part to a member of the Armed Forces, the Secretary shall pay the interest on the loan as due for a period not in excess of 36 consecutive months. The Secretary may not pay interest on such a loan out of any funds other than funds that have been so transferred.

(2) FORBEARANCE.—During the period in which the Secretary is making payments on a loan under paragraph (1), the Secretary shall grant the borrower forbearance, in the form of a temporary cessation of all payments on the loan other than the payments of interest on the loan that are made under that paragraph.

(m) REPAYMENT PLAN FOR PUBLIC SERVICE EMPLOYEES.—

(1) IN GENERAL.—The Secretary shall cancel the balance of interest and principal due, in accordance with paragraph (2), on any eligible Federal Direct Loan not in default for a borrower who—

(A) has made 120 monthly payments on the eligible Federal Direct Loan after October 1, 2007, pursuant to any one or a combination of the following—

(i) payments under an income-based repayment plan under section 493C;

(ii) payments under a standard repayment plan under subsection (d)(1)(A), based on a 10-year repayment period;

(iii) monthly payments under a repayment plan under subsection (d)(1) or (g) of not less than the monthly amount calculated under subsection (d)(1)(A), based on a 10-year repayment period; [or]

(iv) payments under an income contingent repayment plan under subsection (d)(1)(D); [and]

(v) payments under the income-based repayment plan under section 493C(f); or

(vi) payments under the fixed repayment plan described in section 493E; and

(B)[(i)] [is employed in a public service job at the time of such forgiveness; and]

[(ii)] [has been] *has been* employed in a public service job during the period in which the borrower makes each of the 120 payments described in subparagraph (A).

(2) LOAN CANCELLATION AMOUNT.—After the conclusion of the employment period described in paragraph (1), the Secretary shall cancel the obligation to repay the balance of principal and interest due as of the time of such cancellation, on the eligible Federal Direct Loans made to the borrower under this part. *In the case of a borrower who meets the requirements under paragraph (1) for such cancellation, such cancellation shall occur without further action by the borrower.*

(3) TREATMENT OF LOANS REFINANCED UNDER SECTIONS 460A In the case of an eligible Federal Direct Loan refinanced under section 460A, any monthly payment pursuant to any repayment plan listed in paragraph (1)(A) made on a loan, for which the liability has been discharged by such refinanced loan and without regard to whether such loan is an eligible Federal Direct Loan, shall be treated as a monthly payment under paragraph (1)(A) on the portion of such refinanced loan that is attributable to such discharged loan.

(4) ON-LINE PORTAL

(A) BORROWERS The Secretary shall ensure that borrowers have access to an on-line portal that provides each borrower who signs on to such portal with the following:

(i) Instructions on how to access the database under paragraph (5) so that the borrower can determine whether the borrower is employed in a public service job.

(ii) An identification of the loans of the borrower that are eligible Federal Direct Loans.

(iii) With respect to each such eligible Federal Direct Loan, the number of monthly payments on such loan that qualify as a monthly payment under paragraph (1)(A), and the estimated number of monthly payments under paragraph (1)(A) remaining on such loan before the borrower may be eligible for loan cancellation under this subsection.

(iv) With respect to each loan of the borrower that is not eligible for loan cancellation under this subsection, an explanation of why the loan is not so eligible and

instructions on how what, if anything, the borrower may do to make the loan so eligible.

(v) Instructions for the submission of any forms associated with such loan cancellation, and an ability for the borrower to use the portal to electronically sign and submit such forms.

(vi) In the case of a borrower who disputes a determination of the Secretary relating to the entitlement of the borrower to loan cancellation under paragraph (2)—

(I) an ability for the borrower to file a claim with the Secretary to dispute such determination through the portal; and

(II) in the case of such a claim that has been filed, the status of such claim, for which updates shall be provided not fewer than once every 90 days.

(B) EMPLOYERS The Secretary shall ensure that an employer of a borrower has the ability to electronically sign and submit any forms associated with loan cancellation under this subsection.

(C) INFORMATION The Secretary shall ensure that any information provided through the on-line portal described in this paragraph is up-to-date information.

(5) DATABASE OF PUBLIC SERVICE JOBS

(A) IN GENERAL The Secretary, in consultation with the Commissioner of the Internal Revenue Service, shall establish and regularly update a database that lists public service jobs.

(B) PUBLIC AVAILABILITY The database established under subparagraph (A) shall be made available on a publicly accessible website of the Department in an easily searchable format.

[(3)**]** *(6)* DEFINITIONS.—In this subsection:

(A) ELIGIBLE FEDERAL DIRECT LOAN.—**[**The term**]**

(i) IN GENERAL.—The term

(ii) TREATMENT OF CERTAIN CONSOLIDATION LOAN PAYMENTS.—In the case of an eligible Federal Direct Loan that is a Federal Direct Consolidation Loan made on or after the date of enactment of the College Affordability Act, any monthly payment pursuant to any repayment plan listed in paragraph (1)(A) made on a loan, for which the liability has been discharged by the proceeds of such Federal Direct Consolidation Loan and without regard to whether the loan is an eligible Federal Direct Loan, shall be treated as a monthly payment under paragraph (1)(A) on the portion of such Federal Direct Consolidation Loan that is attributable to such discharged loan, except that in the case of a subsequent consolidation loan, for purposes of this clause—

(I) any monthly payment made on the first consolidation loan or any other loan for which the liability has been discharged by such subsequent consolidation loan shall be applicable; and

(II) any monthly payment made on a loan for which the liability has been discharged by such first consolidation loan shall not be applicable. "eligible Federal Direct Loan" means a Federal Direct Stafford Loan, Federal Direct PLUS Loan, or Federal Direct Unsubsidized Stafford Loan, or a Federal Direct Consolidation Loan *(including any Federal Direct Stafford Loan, Federal Direct PLUS Loan, Federal Direct Unsubsidized Stafford Loan, or Federal Direct Consolidation Loan refinanced under section 460A)*.

(B) PUBLIC SERVICE JOB.—The term "public service job" means—

(i) a full-time job in emergency management, government (excluding time served as a member of Congress), military service, public safety, law enforcement, public health (including nurses, nurse practitioners, nurses in a clinical setting, and full-time professionals engaged in health care practitioner occupations and health care support occupations, as such terms are defined by the Bureau of Labor Statistics), public education, social work in a public child or family service agency, public interest law services (including prosecution or public defense or legal advocacy on behalf of low-income communities at a nonprofit organization), early childhood education (including licensed or regulated childcare, Head Start, and State funded prekindergarten), public service for individuals with disabilities, public service for the elderly, public library sciences, school-based library sciences and other school-based services, or at an organization that is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; **[**or**]**

(ii) **[**teaching as**]** *teaching—*

(I) as a full-time faculty member at a Tribal College or University as defined in section 316(b) and other faculty teaching in high-needs subject areas or areas of shortage (including nurse faculty**[**, foreign language faculty, and part-time faculty at community colleges), as determined by the Secretary.**]** *and foreign language faculty), as determined by the Secretary; or*

(II) as a part-time faculty member or instructor who—

(aa) teaches not less than 2 courses at an institution of higher education (as defined in section 101(a)), a postsecondary vocational institution (as defined in section 102(c)), or a Tribal College or University (as defined in section 316(b));

(bb) is not a student enrolled at such institution; and

(cc) is not employed on a full-time basis by any other employer;

(iii) a full-time job as an employee or manager of a farm or ranch that, with respect to a fiscal year, has earnings of gross revenue during such year from the sale of agricultural products equal to or greater than—

(I) in the case of 2019, $35,000; or

(II) in the case of any succeeding year, the amount applicable under this subparagraph for the previous year, increased by the estimated percentage change in the Consumer Price Index for the most recent year preceding such year; or

(iv) a full-time job with a veterans or military service organization as described in paragraph (19) or (23) of section 501(c) of the Internal Revenue Code, that does not engage in partisan political campaign activity.

(C) FULL-TIME JOB AS HEALTH CARE PRACTITIONER.—The term "full-time professionals engaged in health care practitioner occupations" includes an individual who—

(i) has a full-time job as a health care practitioner;

(ii) provides medical services in such full-time job at a nonprofit or public hospital or other nonprofit or public health care facility; and

(iii) is prohibited from being employed directly by such hospital or other health care facility by State law.

[(4)**]** *(7)* INELIGIBILITY FOR DOUBLE BENEFITS.—No borrower may, for the same service, receive a reduction of loan obligations under both this subsection and **[**section 428J, 428K, 428L, or 460**]** *section 428K or 428L*.

(n) IDENTITY FRAUD PROTECTION.—The Secretary shall take such steps as may be necessary to ensure that monthly Federal Direct Loan statements and other publications of the Department do not contain more than four digits of the Social Security number of any individual.

(o) NO ACCRUAL OF INTEREST FOR ACTIVE DUTY SERVICE MEMBERS.—

(1) IN GENERAL.—Notwithstanding any other provision of this part and in accordance with paragraphs (2) and (4), interest shall not accrue for an eligible military borrower on a loan made under this part for which the first disbursement is made on or after October 1, 2008.

(2) CONSOLIDATION LOANS.—In the case of any consolidation loan made under this part that is disbursed on or after October 1, 2008, interest shall not accrue pursuant to this subsection only on such portion of such loan as was used to repay a loan made under this part for which the first disbursement is made on or after October 1, 2008.

(3) ELIGIBLE MILITARY BORROWER.—In this subsection, the term "eligible military borrower" means an individual who—

(A)(i) is serving on active duty during a war or other military operation or national emergency; or

(ii) is performing qualifying National Guard duty during a war or other military operation or national emergency; and

(B) is serving in an area of hostilities in which service qualifies for special pay under section 310, or paragraph (1) or (3) of section 351(a), of title 37, United States Code.

(4) LIMITATION.—An individual who qualifies as an eligible military borrower under this subsection may receive the benefit of this subsection for not more than 60 months.

(p) DISCLOSURES.—Each institution of higher education with which the Secretary has an agreement under section 453, and each contractor with which the Secretary has a contract under section 456, shall, with respect to loans under this part and in accordance with such regulations as the Secretary shall prescribe, comply with each of the requirements under section 433 that apply to a lender with respect to a loan under part B.

[(q) ELIGIBILITY FOR, AND INTEREST CHARGES ON, FEDERAL DIRECT STAFFORD LOANS FOR NEW BORROWERS ON OR AFTER JULY 1, 2013.—

[(1) IN GENERAL.—Notwithstanding subsection (a) or any other provision of this title, any borrower who was a new borrower on or after July 1, 2013, shall not be eligible for a Federal Direct Stafford Loan if the period of time for which the borrower has received Federal Direct Stafford Loans, in the aggregate, exceeds the period of enrollment described in paragraph (3). Such borrower may still receive any Federal Direct Unsubsidized Stafford Loan for which such borrower is otherwise eligible.

[(2) ACCRUAL OF INTEREST ON FEDERAL DIRECT STAFFORD LOANS.—Notwithstanding subsection (f)(1)(A) or any other provision of this title and beginning on the date upon which a borrower who is enrolled in a program of education or training (including a course of study or program described in paragraph (3)(B) or (4)(B) of section 484(b)) for which borrowers are otherwise eligible to receive Federal Direct Stafford Loans, becomes ineligible for such loan as a result of paragraph (1), interest on all Federal Direct Stafford Loans that were disbursed to such borrower on or after July 1, 2013, shall accrue. Such interest shall be paid or capitalized in the same manner as interest on a Federal Direct Unsubsidized Stafford Loan is paid or capitalized under section 428H(e)(2).

[(3) PERIOD OF ENROLLMENT.—

[(A) IN GENERAL.—The aggregate period of enrollment referred to in paragraph (1) shall not exceed the lesser of—

[(i) a period equal to 150 percent of the published length of the educational program in which the student is enrolled; or

[(ii) in the case of a borrower who was previously enrolled in one or more other educational programs that began on or after July 1, 2013, and subject to subparagraph (B), a period of time equal to the difference between—

[(I) 150 percent of the published length of the longest educational program in which the borrower was, or is, enrolled; and

[(II) any periods of enrollment in which the borrower received a Federal Direct Stafford Loan.

[(B) REGULATIONS.—The Secretary shall specify in regulation—

[(i) how the aggregate period described in subparagraph (A) shall be calculated with respect to a bor-

rower who was or is enrolled on less than a full-time basis; and

[(ii) how such aggregate period shall be calculated to include a course of study or program described in paragraph (3)(B) or (4)(B) of section 484(b), respectively.]

SEC. 455A. FEDERAL DIRECT PERKINS LOANS.

(a) DESIGNATION OF LOANS.—Loans made to borrowers under this section shall be known as "Federal Direct Perkins Loans".

(b) IN GENERAL.—It is the purpose of this section to authorize loans to be awarded by institutions of higher education through agreements established under section 463(f). Unless otherwise specified in this section, all terms and conditions and other requirements applicable to Federal Direct Unsubsidized Stafford loans established under section 455(a)(2)(D) shall apply to loans made pursuant to this section.

(c) ELIGIBLE BORROWERS.—Any student meeting the requirements for student eligibility under section 464(b) (including graduate and professional students as defined in regulations promulgated by the Secretary) shall be eligible to borrow a Federal Direct Perkins Loan, provided the student attends an eligible institution with an agreement with the Secretary under section 463(f), and the institution uses its authority under that agreement to award the student a loan.

(d) LOAN LIMITS.—The annual and aggregate limits for loans under this section shall be the same as those established under section 464, and aggregate limits shall include loans made by institutions under agreements under section 463(a).

(e) APPLICABLE RATES OF INTEREST.—Loans made pursuant to this section shall bear interest, on the unpaid principal balance of the loan, at the rate of 5 percent per year.

SEC. 456. CONTRACTS.

(a) CONTRACTS FOR SUPPLIES AND SERVICES.—

(1) IN GENERAL.—The Secretary shall, to the extent practicable, award contracts for origination, servicing, and collection described in subsection (b). In awarding such contracts, the Secretary shall ensure that such services and supplies are provided at competitive prices.

(2) ENTITIES.—The entities with which the Secretary may enter into contracts shall include only entities which the Secretary determines are qualified to provide such services and supplies and will comply with the procedures applicable to the award of such contracts*, including the applicable procedures and policies described in the manual developed under section 493F*. In the case of awarding contracts for the origination, servicing, and collection of loans under this part, the Secretary shall enter into contracts only with entities that have extensive and relevant experience and demonstrated effectiveness. The entities with which the Secretary may enter into such contracts shall include, where practicable, agencies with agreements with the Secretary under sections 428(b) and (c), if such agencies meet the qualifications as determined by the Secretary under this subsection and if those agencies have such experience and demonstrated effectiveness. In awarding con-

tracts to such State agencies, the Secretary shall, to the extent practicable and consistent with the purposes of this part, give special consideration to State agencies with a history of high quality performance to perform services for institutions of higher education within their State.

(3) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as a limitation of the authority of any State agency to enter into an agreement for the purposes of this section as a member of a consortium of State agencies.

(b) CONTRACTS FOR ORIGINATION, SERVICING, AND DATA SYSTEMS.—The Secretary may enter into contracts for—

(1) the alternative origination of loans to students attending institutions of higher education with agreements to participate in the program under this part (or their parents), if such institutions do not have agreements with the Secretary under section 454(b);

(2) the servicing and collection of loans made or purchased under this part;

(3) the establishment and operation of 1 or more data systems for the maintenance of records on all loans made or purchased under this part; and

(4) such other aspects of the direct student loan program as the Secretary determines are necessary to ensure the successful operation of the program.

* * * * * * *

SEC. 460A. REFINANCING FFEL AND FEDERAL DIRECT LOANS.

(a) IN GENERAL.—The Secretary shall establish a program under which the Secretary, upon the receipt of an application from a qualified borrower, makes a loan under this part, in accordance with the provisions of this section, in order to permit the borrower to obtain the interest rate provided under subsection (c).

(b) REFINANCING DIRECT LOANS.—

(1) FEDERAL DIRECT LOANS.—Upon application of a qualified borrower, the Secretary shall repay a Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, a Federal Direct PLUS Loan, or a Federal Direct Consolidation Loan of the qualified borrower, for which the first disbursement was made, or the application for the consolidation loan was received, before July 1, 2020, with the proceeds of a refinanced Federal Direct Stafford Loan, a Federal Direct Unsubsidized Stafford Loan, a Federal Direct PLUS Loan, or a Federal Direct Consolidation Loan, respectively, issued to the borrower in an amount equal to the sum of the unpaid principal, accrued unpaid interest, and late charges of the original loan.

(2) REFINANCING FFEL PROGRAM LOANS AS REFINANCED FEDERAL DIRECT LOANS.—Upon application of a qualified borrower for any loan that was made, insured, or guaranteed under part B and for which the first disbursement was made, or the application for the consolidation loan was received, before July 1, 2010, the Secretary shall make a loan under this part, in an amount equal to the sum of the unpaid principal, accrued unpaid interest, and late charges of the original loan to the borrower in accordance with the following:

(A) The Secretary shall pay the proceeds of such loan to the eligible lender of the loan made, insured, or guaranteed under part B, in order to discharge the borrower from any remaining obligation to the lender with respect to the original loan.

(B) A loan made under this section that was originally—

(i) a loan originally made, insured, or guaranteed under section 428 shall be a Federal Direct Stafford Loan;

(ii) a loan originally made, insured, or guaranteed under section 428B shall be a Federal Direct PLUS Loan;

(iii) a loan originally made, insured, or guaranteed under section 428H shall be a Federal Direct Unsubsidized Stafford Loan; and

(iv) a loan originally made, insured, or guaranteed under section 428C shall be a Federal Direct Consolidation Loan.

(C) The interest rate for each loan made by the Secretary under this paragraph shall be the rate provided under subsection (c).

(c) INTEREST RATES.—

(1) IN GENERAL.—The interest rate for the refinanced Federal Direct Stafford Loans, Federal Direct Unsubsidized Stafford Loans, Federal Direct PLUS Loans, and Federal Direct Consolidation Loans, shall be a rate equal to—

(A) in any case where the original loan was a loan under section 428 or 428H, a Federal Direct Stafford loan, or a Federal Direct Unsubsidized Stafford Loan, that was issued to an undergraduate student, a rate equal to the rate for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans issued to undergraduate students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020;

(B) in any case where the original loan was a loan under section 428 or 428H, a Federal Direct Stafford Loan, or a Federal Direct Unsubsidized Stafford Loan, that was issued to a graduate or professional student, a rate equal to the rate for Federal Direct Unsubsidized Stafford Loans issued to graduate or professional students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020;

(C) in any case where the original loan was a loan under section 428B or a Federal Direct PLUS Loan, a rate equal to the rate for Federal Direct PLUS Loans for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020; and

(D) in any case where the original loan was a loan under section 428C or a Federal Direct Consolidation Loan, a rate calculated in accordance with paragraph (2).

(2) INTEREST RATES FOR CONSOLIDATION LOANS.—

(A) METHOD OF CALCULATION.—In order to determine the interest rate for any refinanced Federal Direct Consolidation Loan under paragraph (1)(D), the Secretary shall—

(i) determine each of the component loans that were originally consolidated in the loan under section 428C or the Federal Direct Consolidation Loan, and calculate the proportion of the unpaid principal balance of the loan under section 428C or the Federal Direct Consolidation Loan that each component loan represents;

(ii) use the proportions determined in accordance with clause (i) and the interest rate applicable for each component loan, as determined under subparagraph (B), to calculate the weighted average of the interest rates on the loans consolidated into the loan under section 428C or the Federal Direct Consolidation Loan; and

(iii) apply the weighted average calculated under clause (ii) as the interest rate for the refinanced Federal Direct Consolidation Loan.

(B) INTEREST RATES FOR COMPONENT LOANS.—The interest rates for the component loans of a loan made under section 428C or a Federal Direct Consolidation Loan shall be the following:

(i) The interest rate for any loan under section 428 or 428H, Federal Direct Stafford Loan, or Federal Direct Unsubsidized Stafford Loan issued to an undergraduate student shall be a rate equal to the lesser of—

(I) the rate for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans issued to undergraduate students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020; or

(II) the original interest rate of the component loan.

(ii) The interest rate for any loan under section 428 or 428H, Federal Direct Stafford Loan, or Federal Direct Unsubsidized Stafford Loan issued to a graduate or professional student shall be a rate equal to the lesser of—

(I) the rate for Federal Direct Unsubsidized Stafford Loans issued to graduate or professional students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020; or

(II) the original interest rate of the component loan.

(iii) The interest rate for any loan under section 428B or Federal Direct PLUS Loan shall be a rate equal to the lesser of—

(I) the rate for Federal Direct PLUS Loans for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020; or

(II) the original interest rate of the component loan.

(iv) The interest rate for any component loan that is a loan under section 428C or a Federal Direct Consolidation Loan shall be the weighted average of the interest rates that would apply under this subparagraph for

each loan comprising the component consolidation loan.

(v) The interest rate for any eligible loan that is a component of a loan made under section 428C or a Federal Direct Consolidation Loan and is not described in clauses (i) through (iv) shall be the interest rate on the original component loan.

(3) FIXED RATE.—The applicable rate of interest determined under paragraph (1) for a refinanced loan under this section shall be fixed for the period of the loan.

(d) TERMS AND CONDITIONS OF LOANS.—

(1) IN GENERAL.—A loan that is refinanced under this section shall have the same terms and conditions as the original loan, except as otherwise provided in this section.

(2) NO AUTOMATIC EXTENSION OF REPAYMENT PERIOD.—Refinancing a loan under this section shall not result in the extension of the duration of the repayment period of the loan, and the borrower shall retain the same repayment term that was in effect on the original loan. Nothing in this paragraph shall be construed to prevent a borrower from electing a different repayment plan at any time in accordance with section 455(d)(4).

(e) DEFINITION OF QUALIFIED BORROWER.—

(1) IN GENERAL.—For purposes of this section, the term "qualified borrower" means a borrower—

(A) of a loan under this part or part B for which the first disbursement was made, or the application for a consolidation loan was received, before July 1, 2020; and

(B) who meets the eligibility requirements based on income or debt-to-income ratio established by the Secretary.

(2) INCOME REQUIREMENTS.—The Secretary shall establish eligibility requirements based on income or debt-to-income ratio that take into consideration providing access to refinancing under this section for borrowers with the greatest financial need.

(f) NOTIFICATION TO BORROWERS.—The Secretary, in coordination with the Director of the Bureau of Consumer Financial Protection, shall undertake a campaign to alert borrowers of loans that are eligible for refinancing under this section that the borrowers are eligible to apply for such refinancing. The campaign shall include the following activities:

(1) Developing consumer information materials about the availability of Federal student loan refinancing.

(2) Requiring servicers of loans under this part or part B to provide such consumer information to borrowers in a manner determined appropriate by the Secretary, in consultation with the Director of the Bureau of Consumer Financial Protection.

SEC. 460B. FEDERAL DIRECT REFINANCED PRIVATE LOAN PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE PRIVATE EDUCATION LOAN.—The term "eligible private education loan" means a private education loan, as defined in section 140(a) of the Truth in Lending Act (15 U.S.C. 1650(a)), that—

(A) was disbursed to the borrower before July 1, 2020; and

(B) was for the borrower's own postsecondary educational expenses for an eligible program at an institution of higher education participating in the loan program under this part, as of the date that the loan was disbursed.

(2) FEDERAL DIRECT REFINANCED PRIVATE LOAN.—The term "Federal Direct Refinanced Private Loan" means a loan issued under subsection (b)(1).

(3) PRIVATE EDUCATIONAL LENDER.—The term "private educational lender" has the meaning given the term in section 140(a) of the Truth in Lending Act (15 U.S.C. 1650(a)).

(4) QUALIFIED BORROWER.—The term "qualified borrower" means an individual who—

(A) has an eligible private education loan;

(B) has been current on payments on the eligible private education loan for the 6 months prior to the date of the qualified borrower's application for refinancing under this section, and is in good standing on the loan at the time of such application;

(C) is not in default on the eligible private education loan or on any loan made, insured, or guaranteed under this part or part B or E; and

(D) meets the eligibility requirements described in subsection (b)(2).

(b) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Secretary, in consultation with the Secretary of the Treasury, shall carry out a program under which the Secretary, upon application by a qualified borrower who has an eligible private education loan, shall issue such borrower a loan under this part in accordance with the following:

(A) The loan issued under this program shall be in an amount equal to the sum of the unpaid principal, accrued unpaid interest, and late charges of the private education loan.

(B) The Secretary shall pay the proceeds of the loan issued under this program to the private educational lender of the private education loan, in order to discharge the qualified borrower from any remaining obligation to the lender with respect to the original loan.

(C) The Secretary shall require that the qualified borrower undergo loan counseling that provides all of the information and counseling required under clause (i) and clauses (iv) through (xiv) of section 485(b)(1)(A) (as amended by the College Affordability Act) before the loan is refinanced in accordance with this section, and before the proceeds of such loan are paid to the private educational lender.

(D) The Secretary shall issue the loan as a Federal Direct Refinanced Private Loan, which shall have the same terms, conditions, and benefits as a Federal Direct Unsubsidized Stafford Loan, except as otherwise provided in this section.

(2) BORROWER ELIGIBILITY.—The Secretary, in consultation with the Secretary of the Treasury and the Director of the Bureau of Consumer Financial Protection, shall establish eligibility requirements—

(A) based on income or debt-to-income ratio that take into consideration providing access to refinancing under this section for borrowers with the greatest financial need;

(B) to ensure eligibility only for borrowers in good standing;

(C) to minimize inequities between Federal Direct Refinanced Private Loans and other Federal student loans;

(D) to preclude windfall profits for private educational lenders; and

(E) to ensure full access to the program authorized in this subsection for borrowers with private loans who otherwise meet the criteria established in accordance with subparagraphs (A) and (B).

(c) INTEREST RATE.—

(1) IN GENERAL.—The interest rate for a Federal Direct Refinanced Private Loan is—

(A) in the case of a Federal Direct Refinanced Private Loan for a private education loan originally issued for undergraduate postsecondary educational expenses, a rate equal to the rate for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans issued to undergraduate students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020; and

(B) in the case of a Federal Direct Refinanced Private Loan for a private education loan originally issued for graduate or professional degree postsecondary educational expenses, a rate equal to the rate for Federal Direct Unsubsidized Stafford Loans issued to graduate or professional students for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020.

(2) COMBINED UNDERGRADUATE AND GRADUATE STUDY LOANS.—If a Federal Direct Refinanced Private Loan is for a private education loan originally issued for both undergraduate and graduate or professional postsecondary educational expenses, the interest rate shall be a rate equal to the rate for Federal Direct PLUS Loans for the 12-month period beginning on July 1, 2019, and ending on June 30, 2020.

(3) FIXED RATE.—The applicable rate of interest determined under this subsection for a Federal Direct Refinanced Private Loan shall be fixed for the period of the loan.

(d) NO INCLUSION IN AGGREGATE LIMITS.—The amount of a Federal Direct Refinanced Private Loan, or a Federal Direct Consolidated Loan to the extent such loan was used to repay a Federal Direct Refinanced Private Loan, shall not be included in calculating a borrower's annual or aggregate loan limits under section 428 or 428H.

(e) NO ELIGIBILITY FOR SERVICE-RELATED REPAYMENT.—A Federal Direct Refinanced Private Loan, or any Federal Direct Consolidation Loan to the extent such loan was used to repay a Federal Direct Refinanced Private Loan, shall not be eligible for any loan repayment or loan forgiveness program under section 428K, 428L, or 460 or for the repayment plan for public service employees under section 455(m).

(f) PRIVATE EDUCATIONAL LENDER REPORTING REQUIREMENT.—

(1) REPORTING REQUIRED.—The Secretary, in consultation with the Secretary of the Treasury and the Director of the Bureau of Consumer Financial Protection, shall establish a requirement that private educational lenders report the data described in paragraph (2) to the Secretary, to Congress, to the Secretary of the Treasury, and to the Director of the Bureau of Consumer Financial Protection, in order to allow for an assessment of the private education loan market.

(2) CONTENTS OF REPORTING.—The data that private educational lenders shall report in accordance with paragraph (1) shall include each of the following about private education loans (as defined in section 140(a) of the Truth in Lending Act (15 U.S.C. 1650(a))):

(A) The total amount of private education loan debt the lender holds.

(B) The total number of private education loan borrowers the lender serves.

(C) The average interest rate on the outstanding private education loan debt held by the lender.

(D) The proportion of private education loan borrowers who are in default on a loan held by the lender.

(E) The proportion of the outstanding private education loan volume held by the lender that is in default.

(F) The proportions of outstanding private education loan borrowers who are 30, 60, and 90 days delinquent.

(G) The proportions of outstanding private education loan volume that is 30, 60, and 90 days delinquent.

(g) NOTIFICATION TO BORROWERS.—The Secretary, in coordination with the Secretary of the Treasury and the Director of the Bureau of Consumer Financial Protection, shall undertake a campaign to alert borrowers about the availability of private student loan refinancing under this section.

PART E—FEDERAL PERKINS LOANS

SEC. 461. APPROPRIATIONS AUTHORIZED.

(a) PROGRAM AUTHORITY.—The Secretary shall carry out a program assisting in the maintenance of funds at institutions of higher education for the making of loans to undergraduate students in need to pursue their courses of study in such institutions or while engaged in programs of study abroad approved for credit by such institutions. Loans made under this part shall be known as "Federal Perkins Loans".

(b) AUTHORITY TO MAKE LOANS.—

[(1) IN GENERAL.—]

[(A)] *(1)* LOANS FOR NEW UNDERGRADUATE FEDERAL PERKINS LOAN BORROWERS.—Through September 30, 2017, an institution of higher education may make a loan under this part to an eligible undergraduate student who, on the date of disbursement of a loan made under this part, has no outstanding balance of principal or interest on a loan made under this part from the student loan fund established under this part by the institution, but only if the institution has awarded all Federal Direct Loans, as referenced under subparagraphs (A) and (D) of section 455(a)(2), for which such undergraduate student is eligible.

[(B)] *(2)* LOANS FOR CURRENT UNDERGRADUATE FEDERAL PERKINS LOAN BORROWERS.—Through September 30, 2017, an institution of higher education may make a loan under this part to an eligible undergraduate student who, on the date of disbursement of a loan made under this part, has an outstanding balance of principal or interest on a loan made under this part from the student loan fund established under this part by the institution, but only if the institution has awarded all Federal Direct Stafford Loans as referenced under section 455(a)(2)(A) for which such undergraduate student is eligible.

[(C)] *(3)* LOANS FOR CERTAIN GRADUATE BORROWERS.—Through September 30, 2016, with respect to an eligible graduate student who has received a loan made under this part prior to October 1, 2015, an institution of higher education that has most recently made such a loan to the student for an academic program at such institution may continue making loans under this part from the student loan fund established under this part by the institution to enable the student to continue or complete such academic program.

[(2) NO ADDITIONAL LOANS.—An institution of higher education shall not make loans under this part after September 30, 2017.

[(3) PROHIBITION ON ADDITIONAL APPROPRIATIONS.—No funds are authorized to be appropriated under this Act or any other Act to carry out the functions described in paragraph (1) for any fiscal year following fiscal year 2015.]

SEC. 462. ALLOCATION OF FUNDS.

(a) ALLOCATION BASED ON PREVIOUS ALLOCATION.—(1) [From] *For any fiscal year before fiscal year 2021, from* the amount appropriated pursuant to section 461(b) for each fiscal year, the Secretary shall first allocate to each eligible institution an amount equal to—

(A) 100 percent of the amount received under subsections (a) and (b) of this section for fiscal year 1999 (as such subsections were in effect with respect to allocations for such fiscal year), multiplied by

(B) the institution's default penalty, as determined under subsection (e),

except that if the institution has a cohort default rate in excess of the applicable maximum cohort default rate under subsection (f), the institution may not receive an allocation under this paragraph.

(2)(A) From the amount so appropriated, the Secretary shall next allocate to each eligible institution that began participation in the program under this part after fiscal year 1999 but is not a first or second time participant, an amount equal to the greater of—

(i) $5,000; or

(ii) 100 percent of the amount received and expended under this part for the first year it participated in the program.

(B) From the amount so appropriated, the Secretary shall next allocate to each eligible institution that began participation in the program under this part after fiscal year 1999 and is a first or second time participant, an amount equal to the greatest of—

(i) $5,000;

(ii) an amount equal to (I) 90 percent of the amount received and used under this part in the second preceding fiscal year by

eligible institutions offering comparable programs of instruction, divided by (II) the number of students enrolled at such comparable institutions in such fiscal year, multiplied by (III) the number of students enrolled at the applicant institution in such fiscal year; or

(iii) 90 percent of the institution's allocation under this part for the preceding fiscal year.

(C) Notwithstanding subparagraphs (A) and (B) of this paragraph, the Secretary shall allocate to each eligible institution which—

(i) was a first-time participant in the program in fiscal year 2000 or any subsequent fiscal year, and

(ii) received a larger amount under this subsection in the second year of participation,

an amount equal to 90 percent of the amount it received under this subsection in its second year of participation.

(D) For any fiscal year after a fiscal year in which an institution receives an allocation under subparagraph (A), (B), or (C), the Secretary shall allocate to such institution an amount equal to the product of—

(i) the amount determined under subparagraph (A), (B), or (C), multiplied by

(ii) the institution's default penalty, as determined under subsection (e),

except that if the institution has a cohort default rate in excess of the applicable maximum cohort default rate under subsection (f), the institution may not receive an allocation under this paragraph.

(3)(A) If the amount appropriated for any fiscal year is less than the amount required to be allocated to all institutions under paragraph (1) of this subsection, then the amount of the allocation to each such institution shall be ratably reduced.

(B) If the amount appropriated for any fiscal year is more than the amount required to be allocated to all institutions under paragraph (1) but less than the amount required to be allocated to all institutions under paragraph (2), then—

(i) the Secretary shall allot the amount required to be allocated to all institutions under paragraph (1), and

(ii) the amount of the allocation to each institution under paragraph (2) shall be ratably reduced.

(C) If additional amounts are appropriated for any such fiscal year, such reduced amounts shall be increased on the same basis as they were reduced (until the amount allocated equals the amount required to be allocated under paragraphs (1) and (2) of this subsection).

(b) ALLOCATION OF EXCESS BASED ON SHARE OF EXCESS ELIGIBLE AMOUNTS.—(1) From the remainder of the amount appropriated pursuant to section 461(b) after making the allocations required by subsection (a) of this section, the Secretary shall allocate to each eligible institution which has an excess eligible amount an amount which bears the same ratio to such remainder as such excess eligible amount bears to the sum of the excess eligible amounts of all such eligible institutions (having such excess eligible amounts).

(2) For any eligible institution, the excess eligible amount is the amount, if any, by which—

(A)(i) that institution's eligible amount (as determined under paragraph (3)), divided by (ii) the sum of the eligible amounts of all institutions (as so determined), multiplied by (iii) the amount appropriated pursuant to section 461(b) for the fiscal year; exceeds

(B) the amount required to be allocated to that institution under subsection (a),

except that an eligible institution which has a cohort default rate in excess of the applicable maximum cohort default rate under subsection (f) may not receive an allocation under this paragraph.

(3) For any eligible institution, the eligible amount of that institution is equal to—

(A) the amount of the institution's self-help need, as determined under subsection (c); minus

(B) the institution's anticipated collections; multiplied by

(C) the institution's default penalty, as determined under subsection (e);

except that, if the institution has a cohort default rate in excess of the applicable maximum cohort default rate under subsection (f), the eligible amount of that institution is zero.

(c) DETERMINATION OF INSTITUTION'S SELF-HELP NEED.—(1) The amount of an institution's self-help need is equal to the sum of the self-help need of the institution's eligible undergraduate students and the self-help need of the institution's eligible graduate and professional students.

(2) To determine the self-help need of an institution's eligible undergraduate students, the Secretary shall—

(A) establish various income categories for dependent and independent undergraduate students;

(B) establish an expected family contribution for each income category of dependent and independent undergraduate students, determined on the basis of the average expected family contribution (computed in accordance with part F of this title) of a representative sample within each income category for the second preceding fiscal year;

(C) compute 25 percent of the average cost of attendance for all undergraduate students;

(D) multiply the number of eligible dependent students in each income category by the lesser of—

(i) 25 percent of the average cost of attendance for all undergraduate students determined under subparagraph (C); or

(ii) the average cost of attendance for all undergraduate students minus the expected family contribution determined under subparagraph (B) for that income category, except that the amount computed by such subtraction shall not be less than zero;

(E) add the amounts determined under subparagraph (D) for each income category of dependent students;

(F) multiply the number of eligible independent students in each income category by the lesser of—

(i) 25 percent of the average cost of attendance for all undergraduate students determined under subparagraph (C); or

(ii) the average cost of attendance for all undergraduate students minus the expected family contribution determined under subparagraph (B) for that income category, except that the amount computed by such subtraction for any income category shall not be less than zero;

(G) add the amounts determined under subparagraph (F) for each income category of independent students; and

(H) add the amounts determined under subparagraphs (E) and (G).

(3) To determine the self-help need of an institution's eligible graduate and professional students, the Secretary shall—

(A) establish various income categories for graduate and professional students;

(B) establish an expected family contribution for each income category of graduate and professional students, determined on the basis of the average expected family contribution (computed in accordance with part F of this title) of a representative sample within each income category for the second preceding fiscal year;

(C) determine the average cost of attendance for all graduate and professional students;

(D) subtract from the average cost of attendance for all graduate and professional students (determined under subparagraph (C)), the expected family contribution (determined under subparagraph (B)) for each income category, except that the amount computed by such subtraction for any income category shall not be less than zero;

(E) multiply the amounts determined under subparagraph (D) by the number of eligible students in each category;

(F) add the amounts determined under subparagraph (E) for each income category.

(4)(A) For purposes of paragraphs (2) and (3), the term "average cost of attendance" means the average of the attendance costs for undergraduate students and for graduate and professional students, which shall include (i) tuition and fees determined in accordance with subparagraph (B), (ii) standard living expenses determined in accordance with subparagraph (C), and (iii) books and supplies determined in accordance with subparagraph (D).

(B) The average undergraduate and graduate and professional tuition and fees described in subparagraph (A)(i) shall be computed on the basis of information reported by the institution to the Secretary, which shall include (i) total revenue received by the institution from undergraduate and graduate tuition and fees for the second year preceding the year for which it is applying for an allocation, and (ii) the institution's enrollment for such second preceding year.

(C) The standard living expense described in subparagraph (A)(ii) is equal to 150 percent of the difference between the income protection allowance for a family of five with one in college and the income protection allowance for a family of six with one in college for a single independent student.

(D) The allowance for books and supplies described in subparagraph (A)(iii) is equal to $600.

(d) ANTICIPATED COLLECTIONS.—(1) An institution's anticipated collections are equal to the amount which was collected during the

second year preceding the beginning of the award period, multiplied by 1.21.

(2) The Secretary shall establish an appeals process by which the anticipated collections required in paragraph (1) may be waived for institutions with low cohort default rates in the program assisted under this part.

(e) DEFAULT PENALTIES.—

(1) YEARS PRECEDING FISCAL YEAR 2000.—For any fiscal year preceding fiscal year 2000, any institution with a cohort default rate that—

(A) equals or exceeds 15 percent, shall establish a default reduction plan pursuant to regulations prescribed by the Secretary, except that such plan shall not be required with respect to an institution that has a default rate of less than 20 percent and that has less than 100 students who have loans under this part in such academic year;

(B) equals or exceeds 20 percent, but is less than 25 percent, shall have a default penalty of 0.9;

(C) equals or exceeds 25 percent, but is less than 30 percent, shall have a default penalty of 0.7; and

(D) equals or exceeds 30 percent shall have a default penalty of zero.

(2) YEARS FOLLOWING FISCAL YEAR 2000.—For fiscal year 2000 and any succeeding fiscal year, any institution with a cohort default rate (as defined under subsection (g)) that equals or exceeds 25 percent shall have a default penalty of zero.

(3) INELIGIBILITY.—

(A) IN GENERAL.—For fiscal year 2000 and any succeeding fiscal year, any institution with a cohort default rate (as defined in subsection (g)) that equals or exceeds 50 percent for each of the 3 most recent years for which data are available shall not be eligible to participate in a program under this part for the fiscal year for which the determination is made and the 2 succeeding fiscal years, unless, within 30 days of receiving notification from the Secretary of the loss of eligibility under this paragraph, the institution appeals the loss of eligibility to the Secretary. The Secretary shall issue a decision on any such appeal within 45 days after the submission of the appeal. Such decision may permit the institution to continue to participate in a program under this part if—

(i) the institution demonstrates to the satisfaction of the Secretary that the calculation of the institution's cohort default rate is not accurate, and that recalculation would reduce the institution's cohort default rate for any of the 3 fiscal years below 50 percent; or

(ii) there are, in the judgment of the Secretary, such a small number of borrowers entering repayment that the application of this subparagraph would be inequitable.

(B) CONTINUED PARTICIPATION.—During an appeal under subparagraph (A), the Secretary may permit the institution to continue to participate in a program under this part.

(C) RETURN OF FUNDS.—Within 90 days after the date of any termination pursuant to subparagraph (A), or the conclusion of any appeal pursuant to subparagraph (B), whichever is later, the balance of the student loan fund established under this part by the institution that is the subject of the termination shall be distributed as follows:

(i) The Secretary shall first be paid an amount which bears the same ratio to such balance (as of the date of such distribution) as the total amount of Federal capital contributions to such fund by the Secretary under this part bears to the sum of such Federal capital contributions and the capital contributions to such fund made by the institution.

(ii) The remainder of such student loan fund shall be paid to the institution.

(D) USE OF RETURNED FUNDS.—Any funds returned to the Secretary under this paragraph shall be reallocated to institutions of higher education pursuant to subsection (i).

(E) DEFINITION.—For the purposes of subparagraph (A), the term "loss of eligibility" shall be defined as the mandatory liquidation of an institution's student loan fund, and assignment of the institution's outstanding loan portfolio to the Secretary.

(f) APPLICABLE MAXIMUM COHORT DEFAULT RATE.—

(1) AWARD YEARS PRIOR TO 2000.—For award years prior to award year 2000, the applicable maximum cohort default rate is 30 percent.

(2) AWARD YEAR 2000 AND SUCCEEDING AWARD YEARS.—For award year 2000 and subsequent years, the applicable maximum cohort default rate is 25 percent.

(g) DEFINITION OF COHORT DEFAULT RATE.—

(1)(A) The term "cohort default rate" means, for any award year in which 30 or more current and former students at the institution enter repayment on loans under this part (received for attendance at the institution), the percentage of those current and former students who enter repayment on such loans (received for attendance at that institution) in that award year who default before the end of the following award year.

(B) For any award year in which less than 30 of the institution's current and former students enter repayment, the term "cohort default rate" means the percentage of such current and former students who entered repayment on such loans in any of the three most recent award years and who default before the end of the award year immediately following the year in which they entered repayment.

(C) A loan on which a payment is made by the institution of higher education, its owner, agency, contractor, employee, or any other entity or individual affiliated with such institution, in order to avoid default by the borrower, is considered as in default for the purposes of this subsection.

(D) In the case of a student who has attended and borrowed at more than one school, the student (and his or her subsequent repayment or default) is attributed to the school for attendance at which the student received the loan that entered repayment in the award year.

(E) In determining the number of students who default before the end of such award year, the institution, in calculating the cohort default rate, shall exclude—

(i) any loan on which the borrower has, after the time periods specified in paragraph (2)—

(I) voluntarily made 6 consecutive payments;

(II) voluntarily made all payments currently due;

(III) repaid in full the amount due on the loan; or

(IV) received a deferment or forbearance, based on a condition that began prior to such time periods;

(ii) any loan which has, after the time periods specified in paragraph (2), been rehabilitated or canceled; and

(iii) any other loan that the Secretary determines should be excluded from such determination.

(F) The Secretary shall prescribe regulations designed to prevent an institution from evading the application to that institution of a cohort default rate determination under this subsection through the use of such measures as branching, consolidation, change of ownership or control or other means as determined by the Secretary.

(2) For purposes of calculating the cohort default rate under this subsection, a loan shall be considered to be in default—

(A) 240 days (in the case of a loan repayable monthly), or

(B) 270 days (in the case of a loan repayable quarterly), after the borrower fails to make an installment payment when due or to comply with other terms of the promissory note.

(h) FILING DEADLINES.—The Secretary shall, from time to time, set dates before which institutions must file applications for allocations under this part.

(i) REALLOCATION OF EXCESS ALLOCATIONS.—

(1) IN GENERAL.—(A) If an institution of higher education returns to the Secretary any portion of the sums allocated to such institution under this section [for any fiscal year,] *for any fiscal year before fiscal year 2021,* the Secretary shall reallocate 80 percent of such returned portions to participating institutions in an amount not to exceed such participating institution's excess eligible amounts as determined under paragraph (2).

(B) For the purpose of this subsection, the term "participating institution" means an institution of higher education that—

(i) was a participant in the program assisted under this part in fiscal year 1999; and

(ii) did not receive an allocation under subsection (a) in the fiscal year for which the reallocation determination is made.

(2) EXCESS ELIGIBLE AMOUNT.—For any participating institution, the excess eligible amount is the amount, if any, by which—

(A)(i) that institution's eligible amount (as determined under subsection (b)(3)), divided by (ii) the sum of the eligible amounts of all participating institutions (as determined under paragraph (3)), multiplied by (iii) the amount

of funds available for reallocation under this subsection; exceeds

(B) the amount required to be allocated to that institution under subsection (b).

(3) REMAINDER.—The Secretary shall reallocate the remainder of such returned portions in accordance with regulations of the Secretary.

(4) ALLOCATION REDUCTIONS.—If under paragraph (1) of this subsection an institution returns more than 10 percent of its allocation, the institution's allocation for the next fiscal year shall be reduced by the amount returned. The Secretary may waive this paragraph for a specific institution if the Secretary finds that enforcing it is contrary to the interest of the program.

SEC. 462A. FEDERAL DIRECT PERKINS LOAN ALLOCATION.

(a) PURPOSE.—The purpose of this section is to make funds available, in accordance with section 452, to each participating institution in an amount not to exceed the sum of an institution's allocation of funds under subsection (b)(1)(B) to enable each such participating institution to make Federal Direct Perkins Loans under section 455A to eligible students at such participating institution.

(b) AVAILABLE DIRECT PERKINS ANNUAL LOAN AUTHORITY.—

(1) AVAILABILITY AND ALLOCATIONS.—

(A) IN GENERAL.—There are hereby made available, from funds made available for loans made under part D, not to exceed $2,400,000,000 of annual loan authority for award year 2021–2022 and each succeeding award year, to be allocated as provided in subparagraph (B).

(B) ALLOCATION FORMULA.—Except as provided in paragraphs (2) and (3), for each award year, the Secretary shall allocate an amount to each participating institution that is equal to—

(i) 100 percent of the institutional undergraduate student need (as determined under subparagraph (C)) for the preceding award year; and

(ii) 25 percent of the institutional graduate student need (as determined under subparagraph (D)) for the preceding award year.

(C) INSTITUTIONAL UNDERGRADUATE STUDENT NEED CALCULATION.—The institutional undergraduate student need for a participating institution for an award year shall be equal to the sum of the following:

(i) An amount equal to 50 percent of the amount that bears the same proportion to the amount made available under subparagraph (A) for such award year as the total amount of Federal Pell Grant funds awarded at the participating institution for the preceding award year bears to the total amount of Federal Pell Grant funds awarded at all participating institutions for the preceding award year.

(ii) An amount equal to 50 percent of the amount that bears the same proportion to the amount made available under subparagraph (A) for such award year as the total amount of the undergraduate student need at the participating institution for the preceding award

year bears to the total amount of undergraduate student need at all participating institutions for the preceding award year.

(D) INSTITUTIONAL GRADUATE STUDENT NEED CALCULATION.—The institutional graduate student need for a participating institution for an award year shall be equal to the amount that bears the same proportion to the amount made available under subparagraph (A) for such award year as the total amount of the graduate student need at the participating institution for the preceding award year bears to the total amount of graduate student need at all participating institutions for the preceding award year.

(2) REQUIRED MINIMUM AMOUNT.—In no case shall the sum of a participating institution's allocation of loan authority computed under paragraph (1)(B) be less than the average of the institution's total principal amount of loans made under this part for each of the academic years 2012–2013 through 2016–2017.

(3) ADDITIONAL ADJUSTMENTS.—If the Secretary determines that the sum of a participating institution's allocation of loan authority under paragraph (1)(B) is below the minimum amount required under paragraph (3), the Secretary shall—

(A) for each participating institution for which the minimum amount under paragraph (3) is not satisfied, increase the amount of such sum to the amount of the required minimum under such paragraph; and

(B) ratably reduce the amount of the sum of such loan authority of all participating institutions not described in subparagraph (A).

(c) DEFINITIONS.—In this section:

(1) ANNUAL LOAN AUTHORITY.—The term "annual loan authority" means the total original principal amount of loans—

(A) made available for loans under part D; and

(B) that may be allocated under subsection (b)(1) for an award year to participating institutions to make Federal Direct Perkins Loans under section 455A.

(2) AVERAGE COST OF ATTENDANCE.—The term "average cost of attendance" has the meaning given the term in section 4202(e)(5)(B).

(3) GRADUATE STUDENT NEED.—The term "graduate student need" means, with respect to a graduate student for an award year, the lesser of the following:

(A) The amount equal to (except the amount computed by this subparagraph shall not be less than zero)—

(i) the average cost of attendance for the preceding award year, minus

(ii) such graduate student's expected family contribution (computed in accordance with part F of this title) for the preceding award year.

(B) The total annual loan limit for a Federal Direct Unsubsidized Stafford Loan.

(4) UNDERGRADUATE STUDENT NEED.—The term "undergraduate student need" means, with respect to an undergraduate student for an award year, the lesser of the following:

(A) The total of the amount equal to (except the amount computed by this clause shall not be less than zero)—

(i) the average cost of attendance for the award year, minus

(ii) such undergraduate student's expected family contribution (computed in accordance with part F of this title) for the preceding award year.

(B) The total loan annual limit for a Federal Direct Unsubsidized Stafford Loan and a Federal Direct Loan.

(5) PARTICIPATING INSTITUTION.—The term "participating institution" means an institution of higher education—

(A) that has an agreement under section 463(f);

(B) that participates in the Federal Direct Stafford Loan Program; and

(C) is not an institution described in section 102(a)(1)(C).

SEC. 463. AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION.

(a) CONTENTS OF AGREEMENTS *FOR LOANS MADE BEFORE JULY 1, 2021*.—An agreement with any institution of higher education for the payment of Federal capital contributions under this part shall—

(1) provide for the establishment and maintenance of a student loan fund for the purpose of this part;

(2) provide for the deposit in such fund of—

(A) Federal capital contributions from funds appropriated under section 461;

(B) a capital contribution by an institution in an amount equal to one-third of the Federal capital contributions described in subparagraph (A);

(C) collections of principal and interest on student loans made from deposited funds;

(D) charges collected pursuant to regulations under section 464(c)(1)(H); and

(E) any other earnings of the funds;

(3) provide that such student loan fund shall be used only for—

(A) loans to students *before July 1, 2021*, in accordance with the provisions of this part;

(B) administrative expenses, as provided in subsection (b);

(C) capital distributions, as provided in section 466; and

(D) costs of litigation, and other collection costs agreed to by the Secretary in connection with the collection of a loan from the fund (and interest thereon) or a charge assessed pursuant to regulations under section 464(c)(1)(H);

[(4) provide that where a note or written agreement evidencing a loan has been in default despite due diligence on the part of the institution in attempting collection [thereon—] *thereon, if the institution has failed to maintain an acceptable collection record with respect to such loan, as determined by the Secretary in accordance with criteria established by regulation, the Secretary may require the institution to assign such note or agreement to the Secretary, without recompense;*

[(A) if the institution has knowingly failed to maintain an acceptable collection record with respect to such loan, as determined by the Secretary in accordance with criteria established by regulation, the Secretary may—

[(i) require the institution to assign such note or agreement to the Secretary, without recompense; and

[(ii) apportion any sums collected on such a loan, less an amount not to exceed 30 percent of any sums collected to cover the Secretary's collection costs, among other institutions in accordance with section 462; or

[(B) if the institution is not one described in subparagraph (A), the Secretary may allow such institution to refer such note or agreement to the Secretary, without recompense, except that, once every six months, any sums collected on such a loan (less an amount not to exceed 30 percent of any such sums collected to cover the Secretary's collection costs) shall be repaid to such institution and treated as an additional capital contribution under section 462;]

(5) provide that, if an institution of higher education determines not to service and collect student loans made available from funds under this part, the institution will assign, at the beginning of the repayment period, notes or evidence of obligations of student loans made from such funds to the Secretary and [the Secretary shall apportion any sums collected on such notes or obligations (less an amount not to exceed 30 percent of any such sums collected to cover that Secretary's collection costs) among other institutions in accordance with section 462] *and the Secretary shall return a portion of funds from loan repayments to the institution as specified in section 466(b)*;

(6) provide that, notwithstanding any other provision of law, the Secretary will provide to the institution any information with respect to the names and addresses of borrowers or other relevant information which is available to the Secretary, from whatever source such information may be derived;

(7) provide assurances that the institution will comply with the provisions of section 463A;

(8) provide that the institution of higher education will make loans first to students with exceptional need; and

(9) include such other reasonable provisions as may be necessary to protect the United States from unreasonable risk of loss and as are agreed to by the Secretary and the institution, except that nothing in this paragraph shall be construed to permit the Secretary to require the assignment of loans to the Secretary other than as is provided for in paragraphs (4) and (5).

[(b) ADMINISTRATIVE EXPENSES.—An institution which has entered into an agreement under subsection (a) shall be entitled, for each fiscal year during which it makes student loans from a student loan fund established under such agreement, to a payment in lieu of reimbursement for its expenses in administering its student loan program under this part during such year. Such payment shall be made in accordance with section 489.]

(b) ADMINISTRATIVE EXPENSES An institution that has entered into an agreement under subsection (a) shall be entitled, for each fiscal year during which it services student loans from a student loan fund established under such agreement, to a payment in lieu of reimbursement for its expenses in servicing student loans made

before July 1, 2021. Such payment shall be equal to 0.50 percent of the outstanding principal and interest balance of such loans being serviced by the institution as of September 30 of each fiscal year.

(c) COOPERATIVE AGREEMENTS WITH CONSUMER REPORTING AGENCIES.—(1) For the purpose of promoting responsible repayment of loans made pursuant to this part, the Secretary and each institution of higher education participating in the program under this part shall enter into cooperative agreements with consumer reporting agencies to provide for the exchange of information concerning student borrowers concerning whom the Secretary has received a referral pursuant to section 467 and regarding loans held by the Secretary or an institution.

(2) Each cooperative agreement made pursuant to paragraph (1) shall be made in accordance with the requirements of section 430A except that such agreement shall provide for the disclosure by the Secretary or an institution, as the case may be, to such consumer reporting agencies, with respect to any loan held by the Secretary or the institution, respectively, of—

(A) the date of disbursement and the amount of such loans made to any borrower under this part at the time of disbursement of the loan;

(B) information concerning the repayment and collection of any such loan, including information concerning the status of such loan; and

(C) the date of cancellation of the note upon completion of repayment by the borrower of any such loan, or upon cancellation or discharge of the borrower's obligation on the loan for any reason.

(3) Notwithstanding paragraphs (4) and (5) of subsection (a) of section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c (a)(4), (a)(5)), a consumer reporting agency may make a report containing information received from the Secretary or an institution regarding the status of a borrower's account on a loan made under this part until the loan is paid in full.

(4)(A) Except as provided in subparagraph (B), an institution of higher education, after consultation with the Secretary and pursuant to the agreements entered into under paragraph (1), shall disclose at least annually to any consumer reporting agency with which the Secretary has such an agreement the information set forth in paragraph (2), and shall disclose promptly to such consumer reporting agency any changes to the information previously disclosed.

(B) The Secretary may promulgate regulations establishing criteria under which an institution of higher education may cease reporting the information described in paragraph (2) before a loan is paid in full.

(5) Each institution of higher education shall notify the appropriate consumer reporting agencies whenever a borrower of a loan that is made and held by the institution and that is in default makes 6 consecutive monthly payments on such loan, for the purpose of encouraging such consumer reporting agencies to update the status of information maintained with respect to that borrower.

(d) LIMITATION ON USE OF INTEREST BEARING ACCOUNTS.—In carrying out the provisions of subsection (a)(9), the Secretary may not require that any collection agency, collection attorney, or loan

servicer collecting loans made under this part deposit amounts collected on such loans in interest bearing accounts, unless such agency, attorney, or servicer holds such amounts for more than 45 days.

(e) SPECIAL DUE DILIGENCE RULE.—In carrying out the provisions of subsection (a)(5) relating to due diligence, the Secretary shall make every effort to ensure that institutions of higher education may use Internal Revenue Service skip-tracing collection procedures on loans made under this part.

(f) CONTENTS OF AGREEMENTS FOR LOANS MADE ON OR AFTER JULY 1, 2021 An agreement with any institution of higher education that elects to participate in the Federal Direct Perkins Loan program under section 455A shall provide—

(1) for the establishment and maintenance of a Direct Perkins Loan program at the institution under which the institution shall use annual loan authority allocated under section 462A to make loans to eligible students attending the institution;

(2) that the institution, unless otherwise specified in this subsection, shall operate the program consistent with the requirements of agreements established under section 454; and

(3) that if the institution ceases to be eligible to receive Federal loans under this title based on loss of eligibility under section 435(a), due to a high adjusted cohort default rate, the Secretary shall suspend or terminate the institution's eligibility to make Federal Direct Perkins Loans under section 455A unless and until the institution would qualify for a resumption of eligible institution status under such section 435(a).

SEC. 463A. STUDENT LOAN INFORMATION BY ELIGIBLE INSTITUTIONS.

(a) DISCLOSURE REQUIRED PRIOR TO DISBURSEMENT.—**[**Each institution**]** *For loans made before July 1, 2021, each institution* of higher education shall, at or prior to the time such institution makes a loan to a student borrower which is made under this part, provide thorough and adequate loan information on such loan to the student borrower. Any disclosure required by this subsection may be made by an institution of higher education as part of the written application material provided to the borrower, or as part of the promissory note evidencing the loan, or on a separate written form provided to the borrower. The disclosures shall include—

(1) the name of the institution of higher education, and the address to which communications and payments should be sent;

(2) the principal amount of the loan;

(3) the amount of any charges collected by the institution at or prior to the disbursal of the loan and whether such charges are deducted from the proceeds of the loan or paid separately by the borrower;

(4) the stated interest rate on the loan;

(5) the yearly and cumulative maximum amounts that may be borrowed;

(6) an explanation of when repayment of the loan will be required and when the borrower will be obligated to pay interest that accrues on the loan;

(7) a statement as to the minimum and maximum repayment term which the institution may impose, and the minimum monthly payment required by law and a description of any penalty imposed as a consequence of default, such as liability

for expenses reasonably incurred in attempts by the Secretary or institutions to collect on a loan;

(8) a statement of the total cumulative balance, including the loan applied for, owed by the student to that lender, and an estimate of the projected monthly payment, given such cumulative balance;

(9) an explanation of any special options the borrower may have for loan consolidation or other refinancing of the loan;

(10) a statement that the borrower has the right to prepay all or part of the loan, at any time, without penalty, a statement summarizing circumstances in which repayment of the loan or interest that accrues on the loan may be deferred, and a brief notice of the program for repayment of loans, on the basis of military service, pursuant to the Department of Defense educational loan repayment program (10 U.S.C. 16302);

(11) a definition of default and the consequences to the borrower if the borrower defaults, together with a statement that the disbursement of, and the default on, a loan under this part, shall be reported to a consumer reporting agency;

(12) to the extent practicable, the effect of accepting the loan on the eligibility of the borrower for other forms of student assistance;

(13) an explanation of any cost the borrower may incur in the making or collection of the loan;

(14) a notice and explanation regarding the end to future availability of loans made under this part;

(15) a notice and explanation that repayment and forgiveness benefits available to borrowers of loans made under part D are not available to borrowers participating in the loan program under this part;

(16) a notice and explanation regarding a borrower's option to consolidate a loan made under this part into a Federal Direct Loan under part D, including any benefit of such consolidation;

(17) with respect to new undergraduate Federal Perkins loan borrowers, as described in section 461(b)(1)(A), a notice and explanation providing a comparison of the interest rates of loans under this part and part D and informing the borrower that the borrower has reached the maximum annual borrowing limit for which the borrower is eligible as referenced under subparagraphs (A) and (D) of section 455(a)(2); and

(18) with respect to current undergraduate Federal Perkins loan borrowers, as described in section 461(b)(1)(B), a notice and explanation providing a comparison of the interest rates of loans under this part and part D and informing the borrower that the borrower has reached the maximum annual borrowing limit for which the borrower is eligible on Federal Direct Stafford Loans as referenced under section 455(a)(2)(A).

(b) DISCLOSURE REQUIRED PRIOR TO REPAYMENT.—**[**Each institution**]** *For loans made before July 1, 2021, each institution* of higher education shall enter into an agreement with the Secretary under which the institution will, prior to the start of the repayment period of the student borrower on loans made under this part, disclose to the student borrower the information required under this subsection. Any disclosure required by this subsection may be

made by an institution of higher education either in a promissory note evidencing the loan or loans or in a written statement provided to the borrower. The disclosures shall include—

(1) the name of the institution of higher education, and the address to which communications and payments should be sent;

(2) the scheduled date upon which the repayment period is to begin;

(3) the estimated balance owed by the borrower on the loan or loans covered by the disclosure as of the scheduled date on which the repayment period is to begin (including, if applicable, the estimated amount of interest to be capitalized);

(4) the stated interest rate on the loan or loans, or the combined interest rate of loans with different stated interest rates;

(5) the nature of any fees which may accrue or be charged to the borrower during the repayment period;

(6) the repayment schedule for all loans covered by the disclosure including the date the first installment is due, and the number, amount, and frequency of required payments;

(7) an explanation of any special options the borrower may have for loan consolidation or other refinancing of the loan;

(8) the projected total of interest charges which the borrower will pay on the loan or loans, assuming that the borrower makes payments exactly in accordance with the repayment schedule; and

(9) a statement that the borrower has the right to prepay all or part of the loan or loans covered by the disclosure at any time without penalty.

(c) COSTS AND EFFECTS OF DISCLOSURES.—Such information shall be available without cost to the borrower. The failure of an eligible institution to provide information as required by this section shall not (1) relieve a borrower of the obligation to repay a loan in accordance with its terms, (2) provide a basis for a claim for civil damages, or (3) be deemed to abrogate the obligation of the Secretary to make payments with respect to such loan.

SEC. 464. TERMS OF LOANS.

(a) TERMS AND CONDITIONS.—(1) Loans from any student loan fund established pursuant to an agreement under [section 463] *section 463(a)* to any student by any institution shall, subject to such conditions, limitations, and requirements as the Secretary shall prescribe by regulation, be made on such terms and conditions as the institution may determine.

(2)(A) Except as provided in paragraph (4), the total of loans made to a student in any academic year or its equivalent by an institution of higher education from a loan fund established pursuant to an agreement under this part shall not exceed—

(i) $5,500, in the case of a student who has not successfully completed a program of undergraduate education; or

(ii) $8,000, in the case of a graduate or professional student (as defined in regulations issued by the Secretary).

(B) Except as provided in paragraph (4), the aggregate unpaid principal amount for all loans made to a student by institutions of higher education from loan funds established pursuant to agreements under this part may not exceed—

(i) $60,000, in the case of any graduate or professional student (as defined by regulations issued by the Secretary, and including any loans from such funds made to such person before such person became a graduate or professional student);

(ii) $27,500, in the case of a student who has successfully completed 2 years of a program of education leading to a bachelor's degree but who has not completed the work necessary for such a degree (determined under regulations issued by the Secretary), and including any loans from such funds made to such person before such person became such a student; and

(iii) $11,000, in the case of any other student.

(3) Regulations of the Secretary under paragraph (1) shall be designed to prevent the impairment of the capital student loan funds to the maximum extent practicable and with a view toward the objective of enabling the student to complete his course of study.

(4) In the case of a program of study abroad that is approved for credit by the home institution at which a student is enrolled and that has reasonable costs in excess of the home institution's budget, the annual and aggregate loan limits for the student may exceed the amounts described in paragraphs (2)(A) and (2)(B) by 20 percent.

(b) DEMONSTRATION OF NEED AND ELIGIBILITY REQUIRED.—(1) A loan *made before July 1, 2021,* from a student loan fund assisted under this part may be made only to a student who demonstrates financial need in accordance with part F of this title, who meets the requirements of section 484, and who provides the institution with the student's drivers license number, if any, at the time of application for the loan. A student who is in default on a loan under this part shall not be eligible for an additional loan under this part unless such loan meets one of the conditions for exclusion under section 462(g)(1)(E).

(2) If the institution's capital contribution under section 462 *(with respect to a loan made before July 1, 2021) or an allocation under section 462A (with respect to a loan made on or after July 1, 2021)* is directly or indirectly based in part on the financial need demonstrated by students who are (A) attending the institution less than full time, or (B) independent students, then a reasonable portion of the loans made from the institution's student loan fund containing the contribution shall be made available to such students.

(c) CONTENTS OF LOAN AGREEMENT.—(1) Any agreement between an institution and a student for a loan *made before July 1, 2021,* from a student loan fund assisted under this part—

(A) shall be evidenced by note or other written instrument which, except as provided in paragraph (2), provides for repayment of the principal amount of the loan, together with interest thereon, in equal installments (or, if the borrower so requests, in graduated periodic installments determined in accordance with such schedules as may be approved by the Secretary) payable quarterly, bimonthly, or monthly, at the option of the institution, over a period beginning nine months after the date on which the student ceases to carry, at an institution of higher education or a comparable institution outside the United States approved for this purpose by the Secretary, at least one-half the normal full-time academic workload, and

ending 10 years and 9 months after such date except that such period may begin earlier than 9 months after such date upon the request of the borrower;

(B) shall include provision for acceleration of repayment of the whole, or any part, of such loan, at the option of the borrower;

(C)(i) may provide, at the option of the institution, in accordance with regulations of the Secretary, that during the repayment period of the loan, payments of principal and interest by the borrower with respect to all outstanding loans made to the student from a student loan fund assisted under this part shall be at a rate equal to not less than $40 per month, except that the institution may, subject to such regulations, permit a borrower to pay less than $40 per month for a period of not more than one year where necessary to avoid hardship to the borrower, but without extending the 10-year maximum repayment period provided for in subparagraph (A) of this paragraph; and

(ii) may provide that the total payments by a borrower for a monthly or similar payment period with respect to the aggregate of all loans held by the institution may, when the amount of a monthly or other similar payment is not a multiple of $5, be rounded to the next highest whole dollar amount that is a multiple of $5;

(D) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at the rate of 5 percent per year in the case of any loan made on or after October 1, 1981, except that no interest shall accrue (i) prior to the beginning date of repayment determined under paragraph (2)(A)(i), or (ii) during any period in which repayment is suspended by reason of paragraph (2);

(E) shall provide that the loan shall be made without security and without endorsement;

(F) shall provide that the liability to repay the loan shall be cancelled—

(i) upon the death of the borrower;

(ii) if the borrower becomes permanently and totally disabled as determined in accordance with regulations of the Secretary;

(iii) if the borrower is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months; or

(iv) if the borrower is determined by the Secretary of Veterans Affairs to be unemployable due to a service-connected disability;

(G) shall provide that no note or evidence of obligation may be assigned by the lender, except upon the transfer of the borrower to another institution participating under this part (or, if not so participating, is eligible to do so and is approved by the Secretary for such purpose), to such institution, and except as necessary to carry out section 463(a)(6);

(H) pursuant to regulations of the Secretary, shall provide for an assessment of a charge with respect to the loan for fail-

ure of the borrower to pay all or part of an installment when due, which shall include the expenses reasonably incurred in attempting collection of the loan, to the extent permitted by the Secretary, except that no charge imposed under this subparagraph shall exceed 20 percent of the amount of the monthly payment of the borrower; and

(I) shall contain a notice of the system of disclosure of information concerning default on such loan to consumer reporting agencies under section 463(c).

(2)(A) No repayment of principal of, or interest on, any loan *made before July 1, 2021,* from a student loan fund assisted under this part shall be required during any period—

(i) during which the borrower—

(I) is pursuing at least a half-time course of study as determined by an eligible institution; or

(II) is pursuing a course of study pursuant to a graduate fellowship program approved by the Secretary, or pursuant to a rehabilitation training program for disabled individuals approved by the Secretary,

except that no borrower shall be eligible for a deferment under this clause, or loan made under this part while serving in a medical internship or residency program;

(ii) not in excess of 3 years during which the borrower is seeking and unable to find full-time employment;

(iii) during which the borrower—

(I) is serving on active duty during a war or other military operation or national emergency; or

(II) is performing qualifying National Guard duty during a war or other military operation or national emergency,

and for the 180-day period following the demobilization date for the service described in subclause (I) or (II);

(iv) not in excess of 3 years for any reason which the lender determines, in accordance with regulations prescribed by the Secretary under section 435(o), has caused or will cause the borrower to have an economic hardship;

(v) during which the borrower is engaged in service described in section 465(a)(2); or

(vi) during which the borrower is receiving treatment for cancer and the 6 months after such period;

and provides that any such period shall not be included in determining the 10-year period described in subparagraph (A) of paragraph (1).

(B) No repayment of principal of, or interest on, any loan *made before July 1, 2021,* for any period described in subparagraph (A) shall begin until 6 months after the completion of such period.

(C) An individual with an outstanding loan balance who meets the eligibility criteria for a deferment described in subparagraph (A) as in effect on the date of enactment of this subparagraph shall be eligible for deferment under this paragraph notwithstanding any contrary provision of the promissory note under which the loan or loans were made, and notwithstanding any amendment (or effective date provision relating to any amendment) to this section made prior to the date of such deferment.

(3)(A) The Secretary is authorized, when good cause is shown, to extend, in accordance with regulations, the 10-year maximum re-

payment period provided for in subparagraph (A) of paragraph (1) with respect to individual loans.

(B) Pursuant to uniform criteria established by the Secretary, the repayment period *for a loan made before July, 1, 2021,* for any student borrower who during the repayment period is a low-income individual may be extended for a period not to exceed 10 years and the repayment schedule may be adjusted to reflect the income of that individual.

(4) The repayment period for a loan made *before July 1, 2021,* under this part shall begin on the day immediately following the expiration of the period, specified in paragraph (1)(A), after the student ceases to carry the required academic workload, unless the borrower requests and is granted a repayment schedule that provides for repayment to commence at an earlier point in time, and shall exclude any period of authorized deferment, forbearance, or cancellation.

(5) ⟦The institution⟧ *For loans made before July 1, 2021, the institution* may elect—

(A) to add the amount of any charge imposed under paragraph (1)(H) to the principal amount of the loan as of the first day after the day on which the installment was due and to notify the borrower of the assessment of the charge; or

(B) to make the amount of the charge payable to the institution not later than the due date of the next installment.

(6) Requests for deferment of repayment of loans *made before July 1, 2021,* under this part by students engaged in graduate or post-graduate fellowship-supported study (such as pursuant to a Fulbright grant) outside the United States shall be approved until completion of the period of the fellowship.

(7) There shall be excluded from the 9-month period that begins on the date on which a student ceases to carry at least one-half the normal full-time academic workload (as described in paragraph (1)(A)) any period not to exceed 3 years during which a borrower who is a member of a reserve component of the Armed Forces named in section 10101 of title 10, United States Code, is called or ordered to active duty for a period of more than 30 days (as defined in section 101(d)(2) of such title). Such period of exclusion shall include the period necessary to resume enrollment at the borrower's next available regular enrollment period.

(d) AVAILABILITY OF LOAN FUND TO ALL ELIGIBLE STUDENTS.—An agreement under this part for payment of Federal capital contributions shall include provisions designed to make loans *made before July 1, 2021,* from the student loan fund established pursuant to such agreement reasonably available (to the extent of the available funds in such fund) to all eligible students in such institutions in need thereof.

(e) FORBEARANCE.—(1) The Secretary shall ensure that, *with respect to loans made before July 1, 2021, and* as documented in accordance with paragraph (2), an institution of higher education shall grant a borrower forbearance of principal and interest or principal only, renewable at 12-month intervals for a period not to exceed 3 years, on such terms as are otherwise consistent with the regulations issued by the Secretary and agreed upon in writing by the parties to the loan, if—

(A) the borrower's debt burden equals or exceeds 20 percent of such borrower's gross income;

(B) the institution determines that the borrower should qualify for forbearance for other reasons; or

(C) the borrower is eligible for interest payments to be made on such loan for service in the Armed Forces under section 2174 of title 10, United States Code, and, pursuant to that eligibility, the interest on such loan is being paid under subsection (j), except that the form of a forbearance under this paragraph shall be a temporary cessation of all payments on the loan other than payments of interest on the loan that are made under subsection (j).

(2) For the purpose of paragraph (1), the terms of forbearance agreed to by the parties shall be documented by—

(A) confirming the agreement of the borrower by notice to the borrower from the institution of higher education; and

(B) recording the terms in the borrower's file.

(f) SPECIAL REPAYMENT RULE AUTHORITY.—(1) Subject to such restrictions as the Secretary may prescribe to protect the interest of the United States, in order to encourage repayment of loans made under this part *before July 1, 2021* which are in default, the Secretary may, in the agreement entered into under this part, authorize an institution of higher education to compromise on the repayment of such defaulted loans in accordance with paragraph (2). The Federal share of the compromise repayment shall bear the same relation to the institution's share of such compromise repayment as the Federal capital contribution to the institution's loan fund under this part bears to the institution's capital contribution to such fund.

(2) No compromise repayment of a defaulted loan as authorized by paragraph (1) may be made unless the student borrower pays—

(A) 90 percent of the loan under this part;

(B) the interest due on such loan; and

(C) any collection fees due on such loan;

in a lump sum payment.

(g) DISCHARGE.—

(1) IN GENERAL.—If a student borrower who received a loan made under this part on or after January 1, 1986, *and before July 1, 2021,* is unable to complete the program in which such student is enrolled due to the closure of the institution, then the Secretary shall discharge the borrower's liability on the loan (including the interest and collection fees) and shall subsequently pursue any claim available to such borrower against the institution and the institution's affiliates and principals, or settle the loan obligation pursuant to the financial responsibility standards described in section 498(c).

(2) ASSIGNMENT.—A borrower whose loan has been discharged pursuant to this subsection shall be deemed to have assigned to the United States the right to a loan refund in an amount that does not exceed the amount discharged against the institution and the institution's affiliates and principals.

(3) ELIGIBILITY FOR ADDITIONAL ASSISTANCE.—The period during which a student was unable to complete a course of study due to the closing of the institution shall not be considered for purposes of calculating the student's period of eligibility for additional assistance under this title.

(4) SPECIAL RULE.—A borrower whose loan has been discharged pursuant to this subsection shall not be precluded, because of that discharge, from receiving additional grant, loan, or work assistance under this title for which the borrower would be otherwise eligible (but for the default on the discharged loan). The amount discharged under this subsection shall be treated as an amount canceled under section 465(a).

(5) REPORTING.—The Secretary or institution, as the case may be, shall report to consumer reporting agencies with respect to loans that have been discharged pursuant to this subsection.

(h) REHABILITATION OF LOANS.—

(1) REHABILITATION.—

(A) IN GENERAL.—If the borrower of a loan made under this part *before July 1, 2021,* who has defaulted on the loan makes 9 on-time, consecutive, monthly payments of amounts owed on the loan, as determined by the institution, or by the Secretary in the case of a loan held by the Secretary, the loan shall be considered rehabilitated, and the institution that made that loan (or the Secretary, in the case of a loan held by the Secretary) shall request that any consumer reporting agency to which the default was reported remove the default from the borrower's credit history.

(B) COMPARABLE CONDITIONS.—As long as the borrower continues to make scheduled repayments on a loan rehabilitated under this paragraph, the rehabilitated loan shall be subject to the same terms and conditions, and qualify for the same benefits and privileges, as other loans made under this part.

(C) ADDITIONAL ASSISTANCE.—The borrower of a rehabilitated loan shall not be precluded by section 484 from receiving additional grant, loan, or work assistance under this title (for which the borrower is otherwise eligible) on the basis of defaulting on the loan prior to such rehabilitation.

(D) LIMITATIONS.—A borrower only once may obtain the benefit of this paragraph with respect to rehabilitating a loan under this part.

(2) RESTORATION OF ELIGIBILITY.—If the borrower of a loan made under this part *before July 1, 2021,* who has defaulted on that loan makes 6 ontime, consecutive, monthly payments of amounts owed on such loan, the borrower's eligibility for grant, loan, or work assistance under this title shall be restored to the extent that the borrower is otherwise eligible. A borrower only once may obtain the benefit of this paragraph with respect to restored eligibility.

(i) INCENTIVE REPAYMENT PROGRAM.—

(1) IN GENERAL.—Each institution of higher education may establish, with the approval of the Secretary, an incentive repayment program designed to reduce default and to replenish student loan funds established under this part. Each such incentive repayment program may—

(A) offer a reduction of the interest rate on a loan on which the borrower has made 48 consecutive, monthly re-

payments, but in no event may the rate be reduced by more than 1 percent;

(B) provide for a discount on the balance owed on a loan on which the borrower pays the principal and interest in full prior to the end of the applicable repayment period, but in no event may the discount exceed 5 percent of the unpaid principal balance due on the loan at the time the early repayment is made; and

(C) include such other incentive repayment options as the institution determines will carry out the objectives of this subsection.

(2) LIMITATION.—No incentive repayment option under an incentive repayment program authorized by this subsection may be paid for with Federal funds, including any Federal funds from the student loan fund, or with institutional funds from the student loan fund.

(j) ARMED FORCES STUDENT LOAN INTEREST PAYMENT PROGRAM.—

(1) AUTHORITY.—Using funds received by transfer to the Secretary under section 2174 of title 10, United States Code, for the payment of interest on a loan made under this part *before July 1, 2021,* to a member of the Armed Forces, the Secretary shall pay the interest on the loan as due for a period not in excess of 36 consecutive months. The Secretary may not pay interest on such a loan out of any funds other than funds that have been so transferred.

(2) FORBEARANCE.—During the period in which the Secretary is making payments on a loan under paragraph (1), the institution of higher education shall grant the borrower forbearance in accordance with subsection (e)(1)(C).

(k) The Secretary may develop such additional safeguards as the Secretary determines necessary to prevent fraud and abuse in the cancellation of liability under subsection (c)(1)(F). Notwithstanding subsection (c)(1)(F), the Secretary may promulgate regulations to resume collection on loans cancelled under subsection (c)(1)(F) in any case in which—

(1) a borrower received a cancellation of liability under subsection (c)(1)(F) and after the cancellation the borrower—

(A) receives a loan made, insured, or guaranteed under this title; or

(B) has earned income in excess of the poverty line; or

(2) the Secretary determines necessary.

SEC. 465. CANCELLATION OF LOANS FOR CERTAIN PUBLIC SERVICE.

(a) CANCELLATION OF PERCENTAGE OF DEBT BASED ON YEARS OF QUALIFYING SERVICE.—(1) The percent specified in paragraph (3) of this subsection of the total amount of any loan made after June 30, 1972, *and before July 1, 2021,* from a student loan fund assisted under this part shall be canceled for each complete year of service after such date by the borrower under circumstances described in paragraph (2).

(2) Loans shall be canceled under paragraph (1) for service—

(A) as a full-time teacher for service in an academic year (including such a teacher employed by an educational service agency)—

(i) in a public or other nonprofit private elementary school or secondary school, which, for the purpose of this paragraph and for that year—

(I) has been determined by the Secretary (pursuant to regulations of the Secretary and after consultation with the State educational agency of the State in which the school is located) to be a school in which the number of children meeting a measure of poverty under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965, exceeds 30 percent of the total number of children enrolled in such school; and

(II) is in the school district of a local educational agency which is eligible in such year for assistance pursuant to part A of title I of the Elementary and Secondary Education Act of 1965; or

(ii) in one or more public, or nonprofit private, elementary schools or secondary schools or locations operated by an educational service agency that have been determined by the Secretary (pursuant to regulations of the Secretary and after consultation with the State educational agency of the State in which the educational service agency operates) to be a school or location at which the number of children taught who meet a measure of poverty under section 1113(a)(5) of the Elementary and Secondary Education Act of 1965, exceeds 30 percent of the total number of children taught at such school or location;

(B) as a full-time staff member in a preschool program carried on under the Head Start Act, or in a prekindergarten or child care program that is licensed or regulated by the State, that is operated for a period which is comparable to a full school year in the locality if the salary of such staff member is not more than the salary of a comparable employee of the local educational agency;

(C) as a full-time special education teacher, including teachers of infants, toddlers, children, or youth with disabilities in a public or other nonprofit elementary or secondary school system, including a system administered by an educational service agency, or as a full-time qualified professional provider of early intervention services in a public or other nonprofit program under public supervision by the lead agency as authorized in section 635(a)(10) of the Individuals with Disabilities Education Act;

(D) as a member of the Armed Forces of the United States, for service that qualifies for special pay under section 310, or paragraph (1) or (3) of section 351(a), of title 37, United States Code, as an area of hostilities;

(E) as a volunteer under the Peace Corps Act or a volunteer under the Domestic Volunteer Service Act of 1973;

(F) as a full-time law enforcement officer or corrections officer for service to local, State, or Federal law enforcement or corrections agencies, or as a full-time attorney employed in a defender organization established in accordance with section 3006A(g)(2)of title 18, United States Code;

(G) as a full-time teacher of mathematics, science, foreign languages, bilingual education, or any other field of expertise where the State educational agency determines there is a shortage of qualified teachers;

(H) as a full-time nurse or medical technician providing health care services;

(I) as a full-time employee of a public or private nonprofit child or family service agency who is providing, or supervising the provision of, services to high-risk children who are from low-income communities and the families of such children;

(J) as a full-time fire fighter for service to a local, State, or Federal fire department or fire district;

(K) as a full-time faculty member at a Tribal College or University, as that term is defined in section 316;

(L) as a librarian, if the librarian has a master's degree in library science and is employed in—

(i) an elementary school or secondary school that is eligible for assistance under part A of title I of the Elementary and Secondary Education Act of 1965; or

(ii) a public library that serves a geographic area that contains one or more schools eligible for assistance under part A of title I of the Elementary and Secondary Education Act of 1965; or

(M) as a full-time speech language pathologist, if the pathologist has a masters degree and is working exclusively with schools that are eligible for assistance under title I of the Elementary and Secondary Education Act of 1965.

For the purpose of this paragraph, the term "children with disabilities" has the meaning set forth in section 602 of the Individuals with Disabilities Education Act.

(3)(A) The percent of a loan which shall be canceled under paragraph (1) of this subsection is—

(i) in the case of service described in subparagraph (A), (C), (D), (F), (G), (H), (I), (J), (K), (L), or (M) of paragraph (2), at the rate of 15 percent for the first or second year of such service, 20 percent for the third or fourth year of such service, and 30 percent for the fifth year of such service;

(ii) in the case of service described in subparagraph (B) of paragraph (2), at the rate of 15 percent for each year of such service; or

(iii) in the case of service described in subparagraph (E) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent for the third or fourth year of such service.

(B) If a portion of a loan is canceled under this subsection for any year, the entire amount of interest on such loan which accrues for such year shall be canceled.

(C) Nothing in this subsection shall be construed to authorize refunding of any repayment of a loan.

(4) For the purpose of this subsection, the term "year" where applied to service as a teacher means academic year as defined by the Secretary.

(5) The amount of a loan, and interest on a loan, which is canceled under this section shall not be considered income for purposes of the Internal Revenue Code of 1986.

(6) No borrower may, for the same volunteer service, receive a benefit under both this section and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.).

(7) An individual with an outstanding loan obligation under this part who performs service of any type that is described in paragraph (2) as in effect on the date of enactment of this paragraph shall be eligible for cancellation under this section for such service notwithstanding any contrary provision of the promissory note under which the loan or loans were made, and notwithstanding any amendment (or effective date provision relating to any amendment) to this section made prior to the date of such service.

[(b) REIMBURSEMENT FOR CANCELLATION.—The Secretary shall pay to each institution for each fiscal year an amount equal to the aggregate of the amounts of loans from its student loan fund which are canceled pursuant to this section for such year, minus an amount equal to the aggregate of the amounts of any such loans so canceled which were made from Federal capital contributions to its student loan fund provided by the Secretary under section 468. None of the funds appropriated pursuant to section 461(b) shall be available for payments pursuant to this subsection. To the extent feasible, the Secretary shall pay the amounts for which any institution qualifies under this subsection not later than 3 months after the institution files an institutional application for campus-based funds.]

(b) REIMBURSEMENT FOR CANCELLATIONS.—

(1) ASSIGNED LOANS.—In the case of loans made under this part before July 1, 2021, and that are assigned to the Secretary, the Secretary shall, from amounts repaid each quarter on assigned Perkins Loans made before July 1, 2021, pay to each institution for each quarter an amount equal to—

(A) the aggregate of the amounts of loans from its student loan fund that are canceled pursuant to this section for such quarter, minus

(B) an amount equal to the aggregate of the amounts of any such loans so canceled that were made from Federal capital contributions to its student loan fund.

(2) RETAINED LOANS.—In the case of loans made under this part before July 1, 2021, and that are retained by the institution for servicing, the institution shall deduct from loan repayments owed to the Secretary under section 466, an amount equal to—

(A) the aggregate of the amounts of loans from its student loan fund that are canceled pursuant to this section for such quarter, minus

(B) an amount equal to the aggregate of the amounts of any such loans so canceled that were made from Federal capital contributions to its student loan fund.

(c) SPECIAL RULES.—

(1) LIST.—If the list of schools in which a teacher may perform service pursuant to subsection (a)(2)(A) is not available before May 1 of any year, the Secretary may use the list for the year preceding the year for which the determination is made to make such service determination.

(2) CONTINUING ELIGIBILITY.—Any teacher who performs service in a school which—

(A) meets the requirements of subsection (a)(2)(A) in any year; and

(B) in a subsequent year fails to meet the requirements of such subsection,

may continue to teach in such school and shall be eligible for loan cancellation pursuant to subsection (a)(1) such subsequent years.

[SEC. 466. DISTRIBUTION OF ASSETS FROM STUDENT LOAN FUNDS.

[(a) IN GENERAL.—Beginning October 1, 2017, there shall be a capital distribution of the balance of the student loan fund established under this part by each institution of higher education as follows:

[(1) The Secretary shall first be paid an amount which bears the same ratio to the balance in such fund at the close of September 30, 2017, as the total amount of the Federal capital contributions to such fund by the Secretary under this part bears to the sum of such Federal contributions and the institution's capital contributions to such fund.

[(2) The remainder of such balance shall be paid to the institution.

[(b) DISTRIBUTION OF LATE COLLECTIONS.—Beginning October 1, 2017, each institution with which the Secretary has made an agreement under this part, shall pay to the Secretary the same proportionate share of amounts received by this institution after September 30, 2017, in payment of principal and interest on student loans made from the student loan fund established pursuant to such agreement (which amount shall be determined after deduction of any costs of litigation incurred in collection of the principal or interest on loans from the fund and not already reimbursed from the fund or from such payments of principal or interest), as was determined for the Secretary under subsection (a).

[(c) DISTRIBUTION OF EXCESS CAPITAL.—(1) Upon a finding by the institution or the Secretary prior to October 1, 2017, that the liquid assets of a student loan fund established pursuant to an agreement under this part exceed the amount required for loans or otherwise in the foreseeable future, and upon notice to such institution or to the Secretary, as the case may be, there shall be, subject to such limitations as may be included in regulations of the Secretary or in such agreement, a capital distribution from such fund. Such capital distribution shall be made as follows:

[(A) The Secretary shall first be paid an amount which bears the same ratio to the total to be distributed as the Federal capital contributions by the Secretary to the student loan fund prior to such distribution bear to the sum of such Federal capital contributions and the capital contributions to the fund made by the institution.

[(B) The remainder of the capital distribution shall be paid to the institution.

[(2) No finding that the liquid assets of a student loan fund established under this part exceed the amount required under paragraph (1) may be made prior to a date which is 2 years after the date on which the institution of higher education received the funds from such institution's allocation under section 462.]

SEC. 466. Distribution of assets from student loan funds

(a) CAPITAL DISTRIBUTION Beginning July 1, 2021, there shall be a capital distribution of the balance of the student loan fund established under this part by each institution of higher education as follows:

(1) For the quarter beginning July 1, 2021, the Secretary shall first be paid, no later than September 30, 2021, an amount that bears the same ratio to the cash balance in such fund at the close of June 30, 2021, as the total amount of the Federal capital contributions to such fund by the Secretary under this part bears to—

(A) the sum of such Federal contributions and the institution's capital contributions to such fund, less

(B) an amount equal to—

(i) the institution's outstanding administrative costs as calculated under section 463(b);

(ii) outstanding charges assessed under section 464(c)(1)(H); and

(iii) outstanding loan cancellation costs incurred under section 465.

(2) At the end of each quarter subsequent to the quarter ending September 30, 2021, the Secretary shall first be paid an amount that bears the same ratio to the cash balance in such fund at the close of the preceding quarter, as the total amount of the Federal capital contributions to such fund by the Secretary under this part bears to—

(A) the sum of such Federal contributions and the institution's capital contributions to such fund, less

(B) an amount equal to—

(i) the institution's administrative costs incurred for that quarter as calculated under section 463(b);

(ii) charges assessed for that quarter under section 464(c)(1)(H); and

(iii) loan cancellation costs incurred for that quarter under section 465.

(3)(A) The Secretary shall calculate the amounts due to the Secretary under paragraph (1) (adjusted in accordance with subparagraph (B), as appropriate) and paragraph (2) and shall promptly inform the institution of such calculated amounts.

(B) In the event that, prior to the date of enactment of the College Affordability Act, an institution made a short-term, interest-free loan to the institution's student loan fund established under this part in anticipation of collections or receipt of Federal capital contributions, and the institution demonstrates to the Secretary, on or before June 30, 2021, that such loan will still be outstanding after June 30, 2021, the Secretary shall subtract the amount of such outstanding loan from the cash balance of the institution's student loan fund that is used to calculate the amount due to the Secretary under paragraph (1). An adjustment of an amount due to the Secretary under this subparagraph shall be made by the Secretary on a case-by-case basis.

(4) Any remaining balance at the end of a quarter after a payment under paragraph (1) or (2) shall be retained by the institution for use at its discretion. Any balance so retained shall

be withdrawn from the student loan fund and shall not be counted in calculating amounts owed to the Secretary for subsequent quarters.

(5) Each institution shall make the quarterly payments to the Secretary described in paragraph (2) until all outstanding Federal Perkins Loans at that institution have been assigned to the Secretary and there are no funds remaining in the institution's student loan fund.

(6) In the event that the institution's administrative costs, charges, and cancellation costs described in paragraph (2) for a quarter exceed the amount owed to the Secretary under paragraphs (1) and (2) for that quarter, no payment shall be due to the Secretary from the institution for that quarter and the Secretary shall pay the institution, from funds realized from the collection of assigned Federal Perkins Loans made before July 1, 2021, an amount that, when combined with the amount retained by the institution under paragraphs (1) and (2), equals the full amount of such administrative costs, charges, and cancellation costs.

(b) ASSIGNMENT OF OUTSTANDING LOANS Beginning July 1, 2021, an institution of higher education may assign all outstanding loans made under this part before July 1, 2021, to the Secretary, consistent with the requirements of section 463(a)(5). In collecting loans so assigned, the Secretary shall pay an institution an amount that constitutes the same fraction of such collections as the fraction of the cash balance that the institution retains under subsection (a)(2), but determining such fraction without regard to subparagraph (B)(i) of such subsection.

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PART F—NEED ANALYSIS

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SEC. 473. FAMILY CONTRIBUTION.

(a) IN GENERAL.—For the purpose of this title, other than subpart 2 of part A, and except as provided in subsection (b), the term "family contribution" with respect to any student means the amount which the student and the student's family may be reasonably expected to contribute toward the student's postsecondary education for the academic year for which the determination is made, as determined in accordance with this part.

(b) SPECIAL RULE.—

(1) IN GENERAL.—Notwithstanding any other provision of this title, the family contribution of each student described in paragraph (2) shall be deemed to be zero for the ⟦academic year⟧ *award year* for which the determination is made.

(2) APPLICABILITY.—Paragraph (1) shall apply to any dependent or independent student with respect to determinations of need for ⟦academic year⟧ *award year* 2009–2010 (in the case of a student who meets the requirement of subparagraph (B)(i)), or ⟦academic year⟧ *award year* 2018–2019 (in the case of a student who meets the requirement of subparagraph (B)(ii)), and succeeding ⟦academic years⟧ *award years*—

(A) who is eligible to receive a Federal Pell Grant for the [academic year] *award year* for which the determination is made;

(B) whose [parent or guardian] *parent, guardian, or spouse* was—

(i) a member of the Armed Forces of the United States and died as a result of performing military service in Iraq or Afghanistan after September 11, 2001; or

(ii) actively serving as a public safety officer and died in the line of duty while performing as a public safety officer; and

(C) *in the case of a student whose parent or guardian is described in clause (i) or (ii) of subparagraph (B),* who, at the time of the parent or guardian's death, was—

(i) less than 24 years of age; or

(ii) enrolled at an institution of higher education on a part-time or full-time basis.

(3) INFORMATION.—

(A) ARMED FORCES.—Notwithstanding any other provision of law, the Secretary of Veterans Affairs and the Secretary of Defense, as appropriate, shall provide the Secretary of Education with information necessary to determine which students meet the requirements of subparagraphs (A), (B)(i), and (C) of paragraph (2).

(B) PUBLIC SAFETY OFFICERS.—Notwithstanding any other provision of law, unless the Secretary establishes an alternate method to adjust the expected family contribution, for each student who meets the requirements of subparagraphs (A), (B)(ii), and (C) of paragraph (2), a financial aid administrator shall—

(i) verify with the student that the student is eligible for the adjustment;

(ii) adjust the expected family contribution in accordance with this subsection; and

(iii) notify the Secretary of the adjustment and the student's eligibility for the adjustment.

(4) TREATMENT OF PELL AMOUNT.—Notwithstanding section 1212 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796d–1), in the case of a student who receives an increased Federal Pell Grant amount under this section, the total amount of such Federal Pell Grant, including the increase under this subsection, shall not be considered in calculating that student's educational assistance benefits under the Public Safety Officers' Benefits program under subpart 2 of part L of title I of such Act.

(5) DEFINITION OF PUBLIC SAFETY OFFICER.—For purposes of this subsection, the term "public safety officer" means—

(A) a public safety officer, as defined in section 1204 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b); or

(B) a fire police officer, defined as an individual who—

(i) is serving in accordance with State or local law as an officially recognized or designated member of a legally organized public safety agency;

(ii) is not a law enforcement officer, a firefighter, a chaplain, or a member of a rescue squad or ambulance crew; and

(iii) provides scene security or directs traffic—

(I) in response to any fire drill, fire call, or other fire, rescue, or police emergency; or

(II) at a planned special event.

SEC. 474. DETERMINATION OF EXPECTED FAMILY CONTRIBUTION; DATA ELEMENTS.

(a) GENERAL RULE FOR DETERMINATION OF EXPECTED FAMILY CONTRIBUTION.—The expected family contribution—

(1) for a dependent student shall be determined in accordance with section 475;

(2) for a single independent student or a married independent student without dependents (other than a spouse) shall be determined in accordance with section 476; and

(3) for an independent student with dependents other than a spouse shall be determined in accordance with section 477.

(b) DATA ELEMENTS.—The following data elements are considered in determining the expected family contribution:

(1) the available income of (A) the student and the student's spouse, or (B) the student and the student's parents, in the case of a dependent student;

(2) the number of dependents in the family of the student;

(3) the number of dependents in the family of the student, excluding the student's parents, who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487 and for whom the family may reasonably be expected to contribute to their postsecondary education;

(4) *only in the case of a pathway three applicant,* the net assets of (A) the student and the student's spouse, and (B) the student and the student's parents, in the case of a dependent student;

(5) the marital status of the student;

(6) the age of the older parent, in the case of a dependent student, and the student; and

(7) the additional expenses incurred (A) in the case of a dependent student, when both parents of the student are employed or when the family is headed by a single parent who is employed, or (B) in the case of an independent student, when the student is married and the student's spouse is employed, or when the employed student qualifies as a surviving spouse or as a head of a household under section 2 of the Internal Revenue Code of 1986.

SEC. 475. FAMILY CONTRIBUTION FOR DEPENDENT STUDENTS.

(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each dependent student, the expected family contribution is equal to the sum of—

(1) the parents' contribution from adjusted available income (determined in accordance with subsection (b));

(2) the student contribution from available income (determined in accordance with subsection (g)); and

(3) *only in the case of a pathway three applicant,* the student contribution from assets (determined in accordance with subsection (h)).

(b) PARENTS' CONTRIBUTION FROM ADJUSTED AVAILABLE INCOME.—The parents' contribution from adjusted available income is equal to the amount determined by—

(1) computing adjusted available income by adding—

(A) the parents' available income (determined in accordance with subsection (c)); and

(B) *only in the case of a pathway three applicant* the parents' contribution from assets (determined in accordance with subsection (d));

(2) assessing such adjusted available income in accordance with the assessment schedule set forth in subsection (e); and

(3) dividing the assessment resulting under paragraph (2) by the number of the family members, excluding the student's parents, who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487 during the **[**award period**]** *award year* for which assistance under this title is requested;

except that the amount determined under this subsection shall not be less than zero.

(c) PARENTS' AVAILABLE INCOME.—

(1) IN GENERAL.—The parents' available income is determined by deducting from total income (as defined in section 480)—

(A) Federal income taxes;

(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

(C) an allowance for social security taxes, determined in accordance with paragraph (3);

(D) an income protection allowance, determined in accordance with paragraph (4);

(E) an employment expense allowance, determined in accordance with paragraph (5); and

(F) the amount of any tax credit taken by the parents under section 25A of the Internal Revenue Code of 1986.

(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If parents' State or territory of residence is—	And parents' total income is—	
	less than $15,000 or	$15,000 or more
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands	4	3
Florida, South Dakota, Tennessee, New Mexico	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13
Other	9	8

(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by each parent multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

Income Protection Allowance

Family Size	Number in College					
(including student)	1	2	3	4	5	For each additional subtract:
2	$10,520	$8,720				$1,790
3	13,100	11,310	$9,510			
4	16,180	14,380	12,590	$10,790		
5	19,090	17,290	15,500	13,700	$11,910	
6	22,330	20,530	18,740	16,940	15,150	
For each additional add:	2,520	2,520	2,520	2,520	2,520	

(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows (or using a successor provision prescribed by the Secretary under section 478):

(A) If both parents were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,500 or 35 percent of the earned income of the parent with the lesser earned income.

(B) If a parent qualifies as a surviving spouse or as a head of household as defined in section 2 of the Internal Revenue Code of 1986, such allowance is equal to the lesser of $2,500 or 35 percent of such parent's earned income.

(d) PARENTS' CONTRIBUTION FROM ASSETS.—

(1) IN GENERAL.—The parents' contribution from assets is equal to—

(A) the parental net worth (determined in accordance with paragraph (2)); minus

(B) the education savings and asset protection allowance (determined in accordance with paragraph (3)); multiplied by

(C) the asset conversion rate (determined in accordance with paragraph (4)), except that the result shall not be less than zero.

(2) PARENTAL NET WORTH.—The parental net worth is calculated by adding—

(A) the current balance of checking and savings accounts and cash on hand;

(B) the net value of investments and real estate, excluding the net value of the principal place of residence; and

(C) the adjusted net worth of a business or farm, computed on the basis of the net worth of such business or farm (hereafter in this subsection referred to as "NW"), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478), except as provided under section 480(f):

Adjusted Net Worth of a Business or Farm

If the net worth of a business or farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$375,000	$105,000 plus 60 percent of NW over $225,000
$375,001 or more	$195,000 plus 100 percent of NW over $375,000

(3) EDUCATION SAVINGS AND ASSET PROTECTION ALLOWANCE.—The education savings and asset protection allowance is calculated according to the following table (or a successor table prescribed by the Secretary under section 478):

Education Savings and Asset Protection Allowances for Families and Students

If the age of the oldest parent is—	And there are	
	two parents	one parent
	then the allowance is—	
25 or less	$ 0	$0
26	2,200	1,600
27	4,300	3,200
28	6,500	4,700
29	8,600	6,300
30	10,800	7,900
31	13,000	9,500
32	15,100	11,100
33	17,300	12,600
34	19,400	14,200
35	21,600	15,800
36	23,800	17,400
37	25,900	19,000
38	28,100	20,500
39	30,200	22,100
40	32,400	23,700
41	33,300	24,100
42	34,100	24,700
43	35,000	25,200
44	35,700	25,800
45	36,600	26,300
46	37,600	26,900
47	38,800	27,600
48	39,800	28,200
49	40,800	28,800
50	41,800	29,500
51	43,200	30,200
52	44,300	31,100
53	45,700	31,800
54	47,100	32,600
55	48,300	33,400
56	49,800	34,400
57	51,300	35,200
58	52,900	36,200
59	54,800	37,200
60	56,500	38,100
61	58,500	39,200
62	60,300	40,300
63	62,400	41,500
64	64,600	42,800
65 or more	66,800	44,000

(4) ASSET CONVERSION RATE.—The asset conversion rate is 12 percent.

(e) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (b)(1) and hereafter in this subsection referred to as "AAI") is assessed according to the following table (or a successor table prescribed by the Secretary under section 478):

Parents' Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than −$3,409	−$750
−$3,409 to $9,400	22% of AAI
$9,401 to $11,800	$2,068 + 25% of AAI over $9,400
$11,801 to $14,200	$2,668 + 29% of AAI over $11,800
$14,201 to $16,600	$3,364 + 34% of AAI over $14,200
$16,601 to $19,000	$4,180 + 40% of AAI over $16,600
$19,001 or more	$5,140 + 47% of AAI over $19,000

(f) COMPUTATIONS IN CASE OF SEPARATION, DIVORCE, REMARRIAGE, OR DEATH.—

(1) DIVORCED OR SEPARATED PARENTS.—Parental income and assets for a student whose parents are divorced or separated is determined under the following procedures:

(A) Include only the income and assets of the parent with whom the student resided for the greater portion of the 12-month period preceding the date of the application.

(B) If the preceding criterion does not apply, include only the income and assets of the parent who provided the greater portion of the student's support for the 12-month period preceding the date of application.

(C) If neither of the preceding criteria apply, include only the income and assets of the parent who provided the greater support during the most recent calendar year for which parental support was provided.

(2) DEATH OF A PARENT.—Parental income and assets in the case of the death of any parent is determined as follows:

(A) If either of the parents has died, the student shall include only the income and assets of the surviving parent.

(B) If both parents have died, the student shall not report any parental income or assets.

(3) REMARRIED PARENTS.—If a parent whose income and assets are taken into account under paragraph (1) of this subsection, or if a parent who is a widow or widower and whose income is taken into account under paragraph (2) of this subsection, has remarried, the income of that parent's spouse shall be included in determining the parent's adjusted available income only if—

(A) the student's parent and the stepparent are married as of the date of application for the award year concerned; and

(B) the student is not an independent student.

(g) STUDENT CONTRIBUTION FROM AVAILABLE INCOME.—

(1) IN GENERAL.—The student contribution from available income is equal to—

(A) the student's total income (determined in accordance with section 480); minus

(B) the adjustment to student income (determined in accordance with paragraph (2)); multiplied by

(C) the assessment rate as determined in paragraph (5); except that the amount determined under this subsection shall not be less than zero.

(2) ADJUSTMENT TO STUDENT INCOME.—The adjustment to student income is equal to the sum of—

(A) Federal income taxes of the student;

(B) an allowance for State and other income taxes (determined in accordance with paragraph (3));

(C) an allowance for social security taxes determined in accordance with paragraph (4);

[(D) an income protection allowance of the following amount (or a successor amount prescribed by the Secretary under section 478)—

[(i) for academic year 2009–2010, $3,750;

[(ii) for academic year 2010–2011, $4,500;

[(iii) for academic year 2011–2012, $5,250; and

[(iv) for academic year 2012–2013, $6,000;]

(D) an income protection allowance (or a successor amount prescribed by the Secretary under section 478) of $9,230 for award year 2021–2022;

(E) the amount of any tax credit taken by the student under section 25A of the Internal Revenue Code of 1986; and

(F) an allowance for parents' negative available income, determined in accordance with paragraph (6).

(3) ALLOWANCE FOR STATE AND OTHER INCOME TAXES.—The allowance for State and other income taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If the students' State or territory of residence is—	The percentage is—
Alaska, American Samoa, Florida, Guam, Nevada, South Dakota, Tennessee, Texas, Trust Territory, Virgin Islands, Washington, Wyoming	0
Connecticut, Louisiana, Puerto Rico	1
Arizona, New Hampshire, New Mexico, North Dakota	2
Alabama, Colorado, Illinois, Indiana, Kansas, Mississippi, Missouri, Montana, Nebraska, New Jersey, Oklahoma	3
Arkansas, Georgia, Iowa, Kentucky, Maine, Pennsylvania, Utah, Vermont, Virginia, West Virginia, Canada, Mexico	4
California, Idaho, Massachusetts, North Carolina, Ohio, Rhode Island, South Carolina	5
Hawaii, Maryland, Michigan, Wisconsin	6
Delaware, District of Columbia, Minnesota, Oregon	7
New York	8
Other	4

(4) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by the student multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

(5) The student's available income (determined in accordance with paragraph (1) of this subsection) is assessed at 50 percent.

(6) ALLOWANCE FOR PARENTS' NEGATIVE AVAILABLE INCOME.—The allowance for parents' negative available income is the amount, if any, by which the sum of the amounts deducted under subparagraphs (A) through (F) of subsection (c)(1) exceeds the sum of the parents' total income (as defined in section 480) and the parents' contribution from assets (as determined in accordance with subsection (d)).

(h) STUDENT CONTRIBUTION FROM ASSETS.—The student contribution from assets is determined by calculating the net assets of the student and multiplying such amount by 20 percent, except that the result shall not be less than zero.

(i) ADJUSTMENTS TO PARENTS' CONTRIBUTION FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS FOR PURPOSES OTHER THAN SUBPART 2 OF PART A OF THIS TITLE.—For periods of enrollment other than 9 months, the parents' contribution from adjusted available income (as determined under subsection (b)) is determined as follows for purposes other than subpart 2 of part A of this title:

(1) For periods of enrollment less than 9 months, the parents' contribution from adjusted available income is divided by 9 and the result multiplied by the number of months enrolled.

(2) For periods of enrollment greater than 9 months—

(A) the parents' adjusted available income (determined in accordance with subsection (b)(1)) is increased by the difference between the income protection allowance (determined in accordance with subsection (c)(4)) for a family of four and a family of five, each with one child in college;

(B) the resulting revised parents' adjusted available income is assessed according to subsection (e) and adjusted according to subsection (b)(3) to determine a revised parents' contribution from adjusted available income;

(C) the original parents' contribution from adjusted available income is subtracted from the revised parents' contribution from adjusted available income, and the result is divided by 12 to determine the monthly adjustment amount; and

(D) the original parents' contribution from adjusted available income is increased by the product of the monthly adjustment amount multiplied by the number of months greater than 9 for which the student will be enrolled.

(j) ADJUSTMENTS TO STUDENT'S CONTRIBUTION FOR ENROLLMENT PERIODS OF LESS THAN NINE MONTHS.—For periods of enrollment of less than 9 months, the student's contribution from adjusted available income (as determined under subsection (g)) is determined, for purposes other than subpart 2 of part A, by dividing the amount determined under such subsection by 9, and multiplying the result by the number of months in the period of enrollment.

SEC. 476. FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITHOUT DEPENDENTS OTHER THAN A SPOUSE.

(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each independent student without dependents other than a spouse, the expected family contribution is determined by—

(1) adding—

(A) the family's contribution from available income (determined in accordance with subsection (b)); and

(B) *only in the case of a pathway three applicant,* the family's contribution from assets (determined in accordance with subsection (c));

(2) dividing the sum resulting under paragraph (1) by the number of students who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487 during the [award period] *award year* for which assistance under this title is requested; and

(3) for periods of enrollment of less than 9 months, for purposes other than subpart 2 of part A—

(A) dividing the quotient resulting under paragraph (2) by 9; and

(B) multiplying the result by the number of months in the period of enrollment;

except that the amount determined under this subsection shall not be less than zero.

(b) FAMILY'S CONTRIBUTION FROM AVAILABLE INCOME.—

(1) IN GENERAL.—The family's contribution from income is determined by—

(A) deducting from total income (as defined in section 480)—

(i) Federal income taxes;

(ii) an allowance for State and other taxes, determined in accordance with paragraph (2);

(iii) an allowance for social security taxes, determined in accordance with paragraph (3);

[(iv) an income protection allowance of the following amount (or a successor amount prescribed by the Secretary under section 478)—

[(I) for single or separated students, or married students where both are enrolled pursuant to subsection (a)(2)—

[(aa) for academic year 2009–2010, $7,000;

[(bb) for academic year 2010–2011, $7,780;

[(cc) for academic year 2011–2012, $8,550; and

[(dd) for academic year 2012–2013, $9,330; and

[(II) for married students where 1 is enrolled pursuant to subsection (a)(2)—

[(aa) for academic year 2009–2010, $11,220;

[(bb) for academic year 2010–2011, $12,460;

[(cc) for academic year 2011–2012, $13,710; and

[(dd) for academic year 2012–2013, $14,960;]

(iv) an income protection allowance (or a successor amount prescribed by the Secretary under section 478)—

(I) for single or separated students, or married students where both are enrolled pursuant to subsection (a)(2), of $14,360 for award year 2021–2022; and

(II) for married students where 1 is enrolled pursuant to subsection (a)(2), of $23,030 for award year 2021–2022;

(v) in the case where a spouse is present, an employment expense allowance, as determined in accordance with paragraph (4); and

(vi) the amount of any tax credit taken under section 25A of the Internal Revenue Code of 1986; and

(B) assessing such available income in accordance with paragraph (5).

(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If the students' State or territory of residence is—	The percentage is—
Alaska, American Samoa, Florida, Guam, Nevada, South Dakota, Tennessee, Texas, Trust Territory, Virgin Islands, Washington, Wyoming	0
Connecticut, Louisiana, Puerto Rico	1
Arizona, New Hampshire, New Mexico, North Dakota	2
Alabama, Colorado, Illinois, Indiana, Kansas, Mississippi, Missouri, Montana, Nebraska, New Jersey, Oklahoma	3
Arkansas, Georgia, Iowa, Kentucky, Maine, Pennsylvania, Utah, Vermont, Virginia, West Virginia, Canada, Mexico	4
California, Idaho, Massachusetts, North Carolina, Ohio, Rhode Island, South Carolina	5
Hawaii, Maryland, Michigan, Wisconsin	6
Delaware, District of Columbia, Minnesota, Oregon	7
New York	8
Other	4

(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by the student (and spouse, if appropriate), multiplied by the social security withholding rate appropriate to the tax year preceding the award year, up to the maximum statutory social security tax withholding amount for that same tax year.

(4) EMPLOYMENT EXPENSES ALLOWANCE.—The employment expense allowance is determined as follows (or using a successor provision prescribed by the Secretary under section 478):

(A) If the student is married and the student's spouse is employed in the year for which income is reported, such allowance is equal to the lesser of $2,500 or 35 percent of the earned income of the student or spouse with the lesser earned income.

(B) If a student is not married, the employment expense allowance is zero.

(5) ASSESSMENT OF AVAILABLE INCOME.—The family's available income (determined in accordance with paragraph (1)(A) of this subsection) is assessed at 50 percent.

(c) FAMILY CONTRIBUTION FROM ASSETS.—

(1) IN GENERAL.—The family's contribution from assets is equal to—

(A) the family's net worth (determined in accordance with paragraph (2)); minus

(B) the asset protection allowance (determined in accordance with paragraph (3)); multiplied by

(C) the asset conversion rate (determined in accordance with paragraph (4));

except that the family's contribution from assets shall not be less than zero.

(2) FAMILY'S NET WORTH.—The family's net worth is calculated by adding—

(A) the current balance of checking and savings accounts and cash on hand;

(B) the net value of investments and real estate, excluding the net value in the principal place of residence; and

(C) the adjusted net worth of a business or farm, computed on the basis of the net worth of such business or farm (hereafter referred to as "NW"), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478), except as provided under section 480(f):

Adjusted Net Worth of a Business or Farm

If the net worth of a business or farm is—	Then the adjusted net worth is—
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$375,000	$105,000 plus 60 percent of NW over $225,000
$375,001 or more	$195,000 plus 100 percent of NW over $375,000

(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table (or a successor table prescribed by the Secretary under section 478):

Asset Protection Allowances for Families and Students

If the age of the student is—	And the student is	
	married	single
	then the allowance is—	
25 or less	$ 0	$0
26	2,200	1,600
27	4,300	3,200

Asset Protection Allowances for Families and Students—Continued

If the age of the student is—	And the student is	
	married	single
28	6,500	4,700
29	8,600	6,300
30	10,800	7,900
31	13,000	9,500
32	15,100	11,100
33	17,300	12,600
34	19,400	14,200
35	21,600	15,800
36	23,800	17,400
37	25,900	19,000
38	28,100	20,500
39	30,200	22,100
40	32,400	23,700
41	33,300	24,100
42	34,100	24,700
43	35,000	25,200
44	35,700	25,800
45	36,600	26,300
46	37,600	26,900
47	38,800	27,600
48	39,800	28,200
49	40,800	28,800
50	41,800	29,500
51	43,200	30,200
52	44,300	31,100
53	45,700	31,800
54	47,100	32,600
55	48,300	33,400
56	49,800	34,400
57	51,300	35,200
58	52,900	36,200
59	54,800	37,200
60	56,500	38,100
61	58,500	39,200
62	60,300	40,300
63	62,400	41,500
64	64,600	42,800
65 or more	66,800	44,000

(4) ASSET CONVERSION RATE.—The asset conversion rate is 20 percent.

(d) COMPUTATIONS IN CASE OF SEPARATION, DIVORCE, OR DEATH.—In the case of a student who is divorced or separated, or whose spouse has died, the spouse's income and assets shall not be considered in determining the family's contribution from income or assets.

SEC. 477. FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITH DEPENDENTS OTHER THAN A SPOUSE.

(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each independent student with dependents other than a spouse, the expected family contribution is equal to the amount determined by—

(1) computing adjusted available income by adding—

(A) the family's available income (determined in accordance with subsection (b)); and

(B) *only in the case of a pathway three applicant,* the family's contribution from assets (determined in accordance with subsection (c));

(2) assessing such adjusted available income in accordance with an assessment schedule set forth in subsection (d);

(3) dividing the assessment resulting under paragraph (2) by the number of family members who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487 during the **[**award period**]** *award year* for which assistance under this title is requested; and

[(4) for periods of enrollment of less than 9 months, for purposes other than subpart 2 of part A—

[(A) dividing the quotient resulting under paragraph (3) by 9; and

[(B) multiplying the result by the number of months in the period of enrollment;**]**

(4) INCOME PROTECTION ALLOWANCE The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478), for award year 2021–2022:

Income Protection Allowance

Family Size	Number in College					
(including student)	1	2	3	4	5	For each additional subtract:
2	$36,370	$30,160				$6,180
3	45,290	39,100	$32,890			
4	55,920	49,720	43,540	$37,300		
5	65,990	59,750	53,570	47,360	$41,180	
6	77,170	70,960	64,790	58,540	52,350	
For each additional add:	8,710					

except that the amount determined under this subsection shall not be less than zero.

(b) FAMILY'S AVAILABLE INCOME.—

(1) IN GENERAL.—The family's available income is determined by deducting from total income (as defined in section 480)—

(A) Federal income taxes;

(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

(C) an allowance for social security taxes, determined in accordance with paragraph (3);

(D) an income protection allowance, determined in accordance with paragraph (4);

(E) an employment expense allowance, determined in accordance with paragraph (5); and

(F) the amount of any tax credit taken under section 25A of the Internal Revenue Code of 1986.

(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

Percentages for Computation of State and Other Tax Allowance

If student's State or territory of residence is—	And family's total income is—	
	less than $15,000	$15,000 or more
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	3	2
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands	4	3
Florida, South Dakota, Tennessee, New Mexico	5	4
North Dakota, Washington	6	5
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia	7	6
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky	8	7
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico	9	8
Maine, New Jersey	10	9
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island	11	10
Michigan, Minnesota	12	11
Wisconsin	13	12
New York	14	13
Other	9	8

(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount estimated to be earned by the student (and spouse, if appropriate) multiplied by the social security withholding rate appropriate to the tax

year preceding the award year, up to the maximum statutory social security tax withholding amount for that same tax year.

[(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is determined by the tables described in subparagraphs (A) through (D) (or a successor table prescribed by the Secretary under section 478).

[(A) ACADEMIC YEAR 2009–2010.—For academic year 2009–2010, the income protection allowance is determined by the following table:

[Income Protection Allowance

[*Family Size*	*Number in College*					
(including student)	*1*	*2*	*3*	*4*	*5*	*For each additional subtract:*
2	*$17,720*	*$14,690*				
3	*22,060*	*19,050*	*$16,020*			
4	*27,250*	*24,220*	*21,210*	*$18,170*		
5	*32,150*	*29,120*	*26,100*	*23,070*	*$20,060*	
6	*37,600*	*34,570*	*31,570*	*28,520*	*25,520*	*$3,020*
For each additional add:	*4,240*	*4,240*	*4,240*	*4,240*	*4,240*	

[(B) ACADEMIC YEAR 2010–2011.—For academic year 2010–2011, the income protection allowance is determined by the following table:

[Income Protection Allowance

[*Family Size*	*Number in College*					
(including student)	*1*	*2*	*3*	*4*	*5*	*For each additional subtract:*
2	*$19,690*	*$16,330*				
3	*24,510*	*21,160*	*$17,800*			
4	*30,280*	*26,910*	*23,560*	*$20,190*		
5	*35,730*	*32,350*	*29,000*	*25,640*	*$22,290*	
6	*41,780*	*38,410*	*35,080*	*31,690*	*28,350*	*$3,350*
For each additional add:	*4,710*	*4,710*	*4,710*	*4,710*	*4,710*	

[(C) ACADEMIC YEAR 2011–2012.—For academic year 2011–2012, the income protection allowance is determined by the following table:

[Income Protection Allowance

[*Family Size* (*including student*)	*Number in College*					
	1	*2*	*3*	*4*	*5*	*For each additional subtract:*
2	*$21,660*	*$17,960*				
3	*26,960*	*23,280*	*$19,580*			
4	*33,300*	*29,600*	*25,920*	*$22,210*		
5	*39,300*	*35,590*	*31,900*	*28,200*	*$24,520*	
6	*45,950*	*42,250*	*38,580*	*34,860*	*31,190*	*$3,690*
For each additional add:	*5,180*	*5,180*	*5,180*	*5,180*	*5,180*	

[(D) ACADEMIC YEAR 2012–2013.—For academic year 2012–2013, the income protection allowance is determined by the following table:

[Income Protection Allowance

[*Family Size* (*including student*)	*Number in College*					
	1	*2*	*3*	*4*	*5*	*For each additional subtract:*
2	*$23,630*	*$19,590*				
3	*29,420*	*25,400*	*$21,360*			
4	*36,330*	*32,300*	*28,280*	*$24,230*		
5	*42,870*	*38,820*	*34,800*	*30,770*	*$26,750*	
6	*50,130*	*46,100*	*42,090*	*38,030*	*34,020*	*$4,020*
For each additional add:	*5,660*	*5,660*	*5,660*	*5,660*	*5,660*	*]*

(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478), for award year 2021–2022:

Income Protection Allowance

Family Size	*Number in College*					
(including student)	*1*	*2*	*3*	*4*	*5*	*For each additional subtract:*
2	*$36,370*	*$30,160*				*$6,180*
3	*45,290*	*39,100*	*$32,890*			
4	*55,920*	*49,720*	*43,540*	*$37,300*		
5	*65,990*	*59,750*	*53,570*	*47,360*	*$41,180*	
6	*77,170*	*70,960*	*64,790*	*58,540*	*52,350*	
For each additional add:	*8,710*					

(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows (or a successor table prescribed by the Secretary under section 478):

(A) If the student is married and the student's spouse is employed in the year for which their income is reported, such allowance is equal to the lesser of $2,500 or 35 percent of the earned income of the student or spouse with the lesser earned income.

(B) If a student qualifies as a surviving spouse or as a head of household as defined in section 2 of the Internal Revenue Code of 1986, such allowance is equal to the lesser of $2,500 or 35 percent of the student's earned income.

(c) FAMILY'S CONTRIBUTION FROM ASSETS.—

(1) IN GENERAL.—The family's contribution from assets is equal to—

(A) the family net worth (determined in accordance with paragraph (2)); minus

(B) the asset protection allowance (determined in accordance with paragraph (3)); multiplied by

(C) the asset conversion rate (determined in accordance with paragraph (4)), except that the result shall not be less than zero.

(2) FAMILY NET WORTH.—The family net worth is calculated by adding—

(A) the current balance of checking and savings accounts and cash on hand;

(B) the net value of investments and real estate, excluding the net value in the principal place of residence; and

(C) the adjusted net worth of a business or farm, computed on the basis of the net worth of such business or farm (hereafter referred to as "NW"), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478), except as provided under section 480(f):

Adjusted Net Worth of a Business or Farm

If the net worth of a business or farm is—	Then the adjusted net worth is—
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$375,000	$105,000 plus 60 percent of NW over $225,000
$375,001 or more	$195,000 plus 100 percent of NW over $375,000

(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table (or a successor table prescribed by the Secretary under section 478):

Asset Protection Allowances for Families and Students

If the age of the student is—	And the student is	
	married	single
	then the allowance is—	
25 or less	$ 0	$0
26	2,200	1,600
27	4,300	3,200
28	6,500	4,700
29	8,600	6,300
30	10,800	7,900
31	13,000	9,500
32	15,100	11,100
33	17,300	12,600
34	19,400	14,200
35	21,600	15,800
36	23,800	17,400
37	25,900	19,000
38	28,100	20,500
39	30,200	22,100
40	32,400	23,700
41	33,300	24,100
42	34,100	24,700
43	35,000	25,200
44	35,700	25,800
45	36,600	26,300
46	37,600	26,900
47	38,800	27,600
48	39,800	28,200
49	40,800	28,800
50	41,800	29,500
51	43,200	30,200
52	44,300	31,100
53	45,700	31,800
54	47,100	32,600
55	48,300	33,400
56	49,800	34,400
57	51,300	35,200
58	52,900	36,200
59	54,800	37,200
60	56,500	38,100
61	58,500	39,200
62	60,300	40,300
63	62,400	41,500
64	64,600	42,800
65 or more	66,800	44,000

(4) ASSET CONVERSION RATE.—The asset conversion rate is 7 percent.

(d) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (a)(1) and hereafter referred to as "AAI") is assessed according to the following table (or a successor table prescribed by the Secretary under section 478):

Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than −$3,409	−$750
−$3,409 to $9,400	22% of AAI
$9,401 to $11,800	$2,068 + 25% of AAI over $9,400
$11,801 to $14,200	$2,668 + 29% of AAI over $11,800
$14,201 to $16,600	$3,364 + 34% of AAI over $14,200
$16,601 to $19,000	$4,180 + 40% of AAI over $16,600
$19,001 or more	$5,140 + 47% of AAI over $19,000

(e) COMPUTATIONS IN CASE OF SEPARATION, DIVORCE, OR DEATH.—In the case of a student who is divorced or separated, or whose spouse has died, the spouse's income and assets shall not be considered in determining the family's available income or assets.

SEC. 478. REGULATIONS; UPDATED TABLES.

(a) AUTHORITY TO PRESCRIBE REGULATIONS RESTRICTED.—(1) Notwithstanding any other provision of law, the Secretary shall not have the authority to prescribe regulations to carry out this part except—

(A) to prescribe updated tables in accordance with subsections (b) through (h) of this section; **[**or**]**

(B) to propose modifications in the need analysis methodology required by this part**[**.**]***; or*

(C) to prescribe—

(i) one methodology that institutions of higher education (other than institutions that receive a waiver under clause (ii)) shall use, or a selection of two or more methodologies from which such institutions shall select and use a methodology, to determine the allowance for room and board costs incurred by students described in subparagraph (A) of section 472(3) and by students described in subparagraph (D) of such section, which shall—

(I) ensure that each such allowance determination is sufficient to cover reasonable room and board costs incurred by the students for whom such allowance is being determined; and

(II) include the sources of information that institutions shall use in making each such allowance determination; and

(ii) a process for granting institutions of higher education a waiver from the requirements of clause (i), including—

(I) a requirement that each institution of higher education seeking such a waiver submit to the Secretary—

(aa) a description of the methodology that the institution will use for each allowance determination described in clause (i);

(bb) an assurance that each such allowance determination meets the requirements of clause (i)(I); and

(cc) a demonstration that the institution will use reliable sources of information for each such allowance determination; and

(II) a requirement that each institution of higher education that receives such a waiver publicly disclose on the website of the institution the methodology and

sources of information used by the institution for each allowance determination described in clause (i).

(2) Any regulation proposed by the Secretary that (A) updates tables in a manner that does not comply with subsections (b) through (h) of this section, or (B) that proposes modifications under paragraph (1)(B) of this subsection, shall not be effective unless approved by joint resolution of the Congress by May 1 following the date such regulations are published in the Federal Register in accordance with section 482. If the Congress fails to approve such regulations by such May 1, the Secretary shall publish in the Federal Register in accordance with section 482 updated tables for the applicable award year that are prescribed in accordance with subsections (b) through (h) of this section.

(3) Any regulation proposed by the Secretary under paragraph (1)(C) of this subsection shall not be subject to the requirements of paragraph (2).

(b) INCOME PROTECTION ALLOWANCE.—

(1) REVISED TABLES.—

[(A) IN GENERAL.—For each academic year after academic year 2008–2009, the Secretary shall publish in the Federal Register a revised table of income protection allowances for the purpose of sections 475(c)(4) and 477(b)(4), subject to subparagraphs (B) and (C).

[(B) TABLE FOR INDEPENDENT STUDENTS.—

[(i) ACADEMIC YEARS 2009–2010 THROUGH 2012–2013.—For each of the academic years 2009–2010 through 2012–2013, the Secretary shall not develop a revised table of income protection allowances under section 477(b)(4) and the table specified for such academic year under subparagraphs (A) through (D) of such section shall apply.

[(ii) OTHER ACADEMIC YEARS.—For each academic year after academic year 2012–2013, the Secretary shall develop the revised table of income protection allowances by increasing each of the dollar amounts contained in the table of income protection allowances under section 477(b)(4)(D) by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) between December 2011 and the December next preceding the beginning of such academic year, and rounding the result to the nearest $10.]

(A) IN GENERAL.—For each award year after award year 2021–2022, the Secretary shall publish in the Federal Register a revised table of income protection allowances for the purpose of sections 475(c)(4) and 477(b)(4), subject to subparagraphs (B) and (C).

(B) TABLE FOR INDEPENDENT STUDENTS.—For each award year after award year 2021–2022, the Secretary shall develop the revised table of income protection allowances by increasing each of the dollar amounts contained in the table of income protection allowances under section 477(b)(4) by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary for the most recent calendar year ending prior to

the beginning of the award year for which the determination is being made), and rounding the result to the nearest $10.

(C) TABLE FOR PARENTS.—For each academic year after academic year 2008–2009, the Secretary shall develop the revised table of income protection allowances under section 475(c)(4) by increasing each of the dollar amounts contained in the table by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) between December 1992 and the December next preceding the beginning of such academic year, and rounding the result to the nearest $10.

(2) REVISED AMOUNTS.—For each [academic year after academic year 2007–2008] *award year after award year 2021–2022*, the Secretary shall publish in the Federal Register revised income protection allowances for the purpose of sections 475(g)(2)(D) and 476(b)(1)(A)(iv). Such revised allowances [shall be developed for each academic year after academic year 2012–2013, by increasing each of the dollar amounts contained in such section for academic year 2012–2013 by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) between December 2011 and the December next preceding the beginning of such academic year, and rounding the result to the nearest $10.] *shall be developed for each award year after award year 2021–2022, by increasing each of the dollar amounts contained in such section for award year 2021–2022 by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary for the most recent calendar year ending prior to the beginning of the award year for which the determination is being made), and rounding the result to the nearest $10.*

(c) ADJUSTED NET WORTH OF A FARM OR BUSINESS.—For each award year after award year 1993–1994, the Secretary shall publish in the Federal Register a revised table of adjusted net worth of a farm or business for purposes of sections 475(d)(2)(C), 476(c)(2)(C), and 477(c)(2)(C). Such revised table shall be developed—

(1) by increasing each dollar amount that refers to net worth of a farm or business by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) between December 1992 and the December next preceding the beginning of such award year, and rounding the result to the nearest $5,000; and

(2) by adjusting the dollar amounts "$30,000", "$105,000", and "$195,000" to reflect the changes made pursuant to paragraph (1).

(d) EDUCATION SAVINGS AND ASSET PROTECTION ALLOWANCE.—For each award year after award year 1993–1994, the Secretary shall publish in the Federal Register a revised table of allowances for the purpose of sections 475(d)(3), 476(c)(3), and 477(c)(3). Such revised table shall be developed by determining the present value cost, rounded to the nearest $100, of an annuity that would provide, for each age cohort of 40 and above, a supplemental income at age 65 (adjusted for inflation) equal to the difference between

the moderate family income (as most recently determined by the Bureau of Labor Statistics), and the current average social security retirement benefits. For each age cohort below 40, the allowance shall be computed by decreasing the allowance for age 40, as updated, by one-fifteenth for each year of age below age 40 and rounding the result to the nearest $100. In making such determinations—

(1) inflation shall be presumed to be 6 percent per year;

(2) the rate of return of an annuity shall be presumed to be 8 percent; and

(3) the sales commission on an annuity shall be presumed to be 6 percent.

(e) ASSESSMENT SCHEDULES AND RATES.—For each award year after award year 1993–1994, the Secretary shall publish in the Federal Register a revised table of assessments from adjusted available income for the purpose of sections 475(e) and 477(d). Such revised table shall be developed—

(1) by increasing each dollar amount that refers to adjusted available income by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) between December 1992 and the December next preceding the beginning of such [academic year] *award year*, rounded to the nearest $100; and

(2) by adjusting the other dollar amounts to reflect the changes made pursuant to paragraph (1).

(f) DEFINITION OF CONSUMER PRICE INDEX.—As used in this section, the term "Consumer Price Index" means the Consumer Price Index for All Urban Consumers published by the Department of Labor. Each annual update of tables to reflect changes in the Consumer Price Index shall be corrected for misestimation of actual changes in such Index in previous years.

(g) STATE AND OTHER TAX ALLOWANCE.—For each award year after award year 1993–1994, the Secretary shall publish in the Federal Register a revised table of State and other tax allowances for the purpose of sections 475(c)(2), 475(g)(3), 476(b)(2), and 477(b)(2). The Secretary shall develop such revised table after review of the Department of the Treasury's Statistics of Income file and determination of the percentage of income that each State's taxes represent.

(h) EMPLOYMENT EXPENSE ALLOWANCE.—For each award year after award year 1993–1994, the Secretary shall publish in the Federal Register a revised table of employment expense allowances for the purpose of sections 475(c)(5), 476(b)(4), and 477(b)(5). Such revised table shall be developed by increasing the dollar amount specified in sections 475(c)(5)(A), 475(c)(5)(B), 476(b)(4)(A), 477(b)(5)(A), and 477(b)(5)(B) to reflect increases in the amount and percent of the Bureau of Labor Statistics budget of the marginal costs for food away from home, apparel, transportation, and household furnishings and operations for a two-worker versus one-worker family.

[SEC. 479. SIMPLIFIED NEEDS TESTS.

[(a) SIMPLIFIED APPLICATION SECTION.—

[(1) IN GENERAL.—The Secretary shall develop and use an easily identifiable simplified application section as part of the common financial reporting form prescribed under section

483(a) for families described in subsections (b) and (c) of this section.

[(2) REDUCED DATA REQUIREMENTS.—The simplified application form shall—

[(A) in the case of a family meeting the requirements of subsection (b)(1), permit such family to submit only the data elements required under subsection (b)(2) for the purposes of establishing eligibility for student financial aid under this part; and

[(B) in the case of a family meeting the requirements of subsection (c), permit such family to be treated as having an expected family contribution equal to zero for purposes of establishing such eligibility and to submit only the data elements required to make a determination under subsection (c).

[(b) SIMPLIFIED NEEDS TEST.—

[(1) ELIGIBILITY.—An applicant is eligible to file a simplified form containing the elements required by paragraph (2) if—

[(A) in the case of an applicant who is a dependent student—

[(i) the student's parents—

[(I) file, or are eligible to file, a form described in paragraph (3);

[(II) certify that the parents are not required to file a Federal income tax return;

[(III) include at least one parent who is a dislocated worker; or

[(IV) received, or the student received, benefits at some time during the previous 24-month period under a means-tested Federal benefit program as defined under subsection (d); and

[(ii) the total adjusted gross income of the parents (excluding any income of the dependent student) is less than $50,000; or

[(B) in the case of an applicant who is an independent student—

[(i) the student (and the student's spouse, if any)—

[(I) files, or is eligible to file, a form described in paragraph (3);

[(II) certifies that the student (and the student's spouse, if any) is not required to file a Federal income tax return;

[(III) is a dislocated worker or has a spouse who is a dislocated worker; or

[(IV) received benefits at some time during the previous 24-month period under a means-tested Federal benefit program as defined under subsection (d); and

[(ii) the adjusted gross income of the student (and the student's spouse, if any) is less than $50,000.

[(2) SIMPLIFIED TEST ELEMENTS.—The six elements to be used for the simplified needs analysis are—

[(A) adjusted gross income,

[(B) Federal taxes paid,

[(C) untaxed income and benefits,

[(D) the number of family members,

[(E) the number of family members in postsecondary education, and

[(F) an allowance (A) for State and other taxes, as defined in section 475(c)(2) for dependent students and in section 477(b)(2) for independent students with dependents other than a spouse, or (B) for State and other income taxes, as defined in section 476(b)(2) for independent students without dependents other than a spouse.

[(3) QUALIFYING FORMS.—In the case of an independent student, the student, or in the case of a dependent student, the family, files a form described in this subsection, or subsection (c), as the case may be, if the student or family, as appropriate, files—

[(A) a form 1040A or 1040EZ (including any prepared or electronic version of such form) required pursuant to the Internal Revenue Code of 1986;

[(B) a form 1040 (including any prepared or electronic version of such form) required pursuant to the Internal Revenue Code of 1986, except that such form shall be considered a qualifying form only if the student or family files such form in order to take a tax credit under section 25A of the Internal Revenue Code of 1986, and would otherwise be eligible to file a form described in subparagraph (A); or

[(C) an income tax return (including any prepared or electronic version of such return) required pursuant to the tax code of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or Palau.

[(c) ZERO EXPECTED FAMILY CONTRIBUTION.—The Secretary shall consider an applicant to have an expected family contribution equal to zero if—

[(1) in the case of a dependent student—

[(A) the student's parents—

[(i) file, or are eligible to file, a form described in subsection (b)(3);

[(ii) certify that the parents are not required to file a Federal income tax return;

[(iii) include at least one parent who is a dislocated worker; or

[(iv) received, or the student received, benefits at some time during the previous 24-month period under a means-tested Federal benefit program as defined under subsection (d); and

[(B) the sum of the adjusted gross income of the parents is less than or equal to $23,000; or

[(2) in the case of an independent student with dependents other than a spouse—

[(A) the student (and the student's spouse, if any)—

[(i) files, or is eligible to file, a form described in subsection (b)(3);

[(ii) certifies that the student (and the student's spouse, if any) is not required to file a Federal income tax return;

[(iii) is a dislocated worker or has a spouse who is a dislocated worker; or

[(iv) received benefits at some time during the previous 24-month period under a means-tested Federal benefit program as defined under subsection (d); and

[(B) the sum of the adjusted gross income of the student and spouse (if appropriate) is less than or equal to $23,000.

An individual is not required to qualify or file for the earned income credit in order to be eligible under this subsection. The Secretary shall annually adjust the income level necessary to qualify an applicant for the zero expected family contribution. The income level shall be adjusted according to increases in the Consumer Price Index, as defined in section 478(f).

[(d) DEFINITIONS.—In this section:

[(1) DISLOCATED WORKER.—The term "dislocated worker" has the meaning given the term in section 3 of the Workforce Innovation and Opportunity Act.

[(2) MEANS-TESTED FEDERAL BENEFIT PROGRAM.—The term "means-tested Federal benefit program" means a mandatory spending program of the Federal Government, other than a program under this title, in which eligibility for the program's benefits, or the amount of such benefits, are determined on the basis of income or resources of the individual or family seeking the benefit, and may include such programs as—

[(A) the supplemental security income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

[(B) the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.);

[(C) the free and reduced price school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);

[(D) the program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

[(E) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786); and

[(F) other programs identified by the Secretary.]

SEC. 479. ZERO EXPECTED FAMILY CONTRIBUTION.

(a) IN GENERAL.—The Secretary shall consider an applicant to have an expected family contribution equal to zero if—

(1) in the case of a dependent student—

(A)(i) the student's parents are not required to file—

(I) a Federal income tax return; or

(II) with respect to Internal Revenue Service Form 1040, any of the following forms: Schedule A, Schedule B, Schedule C, Schedule C–EZ, Schedule D, Schedule E, Schedule F, Schedule H, Schedule J, and Schedule SE; and

(ii) the sum of the adjusted gross income of the parents is less than or equal to $37,000; or

(B) the student's parents, or the student, received a benefit at some time during the previous 24-month period under a means-tested Federal benefit program;

(2) in the case of an independent student without regard to whether the student has dependents other than a spouse—

(A)(i) the student (and the student's spouse, if any) certifies that the student (and the student's spouse, if any)—

(I) is not required to file a Federal income tax return; or

(II) with respect to Internal Revenue Service Form 1040, any of the following forms: Schedule A, Schedule B, Schedule C, Schedule C–EZ, Schedule D, Schedule E, Schedule F, Schedule H, Schedule J, and Schedule SE; and

(ii) the sum of the adjusted gross income of the student and spouse (if appropriate) is less than or equal to $37,000; or

(B) the student received a benefit at some time during the previous 24-month period under a means-tested Federal benefit program; or

(3) the applicant is a pathway one applicant under section 483(a)(13).

(b) EARNED INCOME CREDIT.—An individual is not required to qualify or file for the earned income credit in order to be eligible under this section.

(c) ADJUSTMENTS.—The Secretary shall annually adjust the income level necessary to qualify an applicant for the zero expected family contribution. The income level shall be annually increased by the estimated percentage change in the Consumer Price Index, as defined in section 478(f), for the most recent calendar year ending prior to the beginning of an award year, and rounded to the nearest $1,000.

(d) MEANS-TESTED FEDERAL BENEFIT PROGRAM DEFINED.—For purposes of this title, a "means-tested Federal benefit program" means a mandatory spending program of the Federal Government, other than a program under this title, in which eligibility for the program's benefits, or the amount of such benefits, are determined on the basis of income or resources of the individual or family seeking the benefit, and may include such programs as—

(1) the supplemental security income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

(2) the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), a nutrition assistance program carried out under section 19 of such Act (7 U.S.C. 2028), and a supplemental nutrition assistance program carried out under section 1841(c) of title 48 of the United States Code;

(3) the program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(4) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

(5) the State Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); and

(6) any other program identified by the Secretary.

* * * * * * *

SEC. 480. DEFINITIONS.

As used in this part:

(a) TOTAL INCOME.—(1)(A) Except as provided in subparagraph (B) and paragraph (2), the term "total income" is equal to adjusted gross income plus untaxed income and benefits for the preceding tax year minus excludable income (as defined in subsection (e)).

(B) Notwithstanding section 478(a), the Secretary [may] *shall* provide for the use of data from the second preceding tax year when and to the extent necessary to carry out the simplification of applications (including simplification for a subset of applications) used for the estimation and determination of financial aid eligibility. Such simplification [may] *shall* include the sharing of data between the Internal Revenue Service and the Department, pursuant to the consent of the taxpayer.

(2) No portion of any student financial assistance received from any program by an individual, no portion of veterans' education benefits received by an individual, no portion of a national service educational award or post-service benefit received by an individual under title I of the National and Community Service Act of 1990 (42 U.S.C. 12511 et seq.), no portion of any tax credit taken under section 25A of the Internal Revenue Code of 1986, and no distribution from any qualified education benefit described in subsection (f)(3) that is not subject to Federal income tax, shall be included as income or assets in the computation of expected family contribution for any program funded in whole or in part under this Act.

(b) UNTAXED INCOME AND BENEFITS.—

[(1) The term "untaxed income and benefits" means—

[(A) child support received;

[(B) workman's compensation;

[(C) veteran's benefits such as death pension, dependency, and indemnity compensation, but excluding veterans' education benefits as defined in subsection (c);

[(D) interest on tax-free bonds;

[(E) housing, food, and other allowances (excluding rent subsidies for low-income housing) for military, clergy, and others (including cash payments and cash value of benefits), except that the value of on-base military housing or the value of basic allowance for housing determined under section 403(b) of title 37, United States Code, received by the parents, in the case of a dependent student, or the student or student's spouse, in the case of an independent student, shall be excluded;

[(F) cash support or any money paid on the student's behalf, except, for dependent students, funds provided by the student's parents;

[(G) untaxed portion of pensions;

[(H) payments to individual retirement accounts and Keogh accounts excluded from income for Federal income tax purposes; and

[(I) any other untaxed income and benefits, such as Black Lung Benefits, Refugee Assistance, or railroad retirement benefits, or benefits received through participa-

tion in employment and training activities under title I of the Workforce Innovation and Opportunity Act.]

(1) The term "untaxed income and benefits" means—

(A) child support received;

(B) untaxed portion of pensions;

(C) payments to individual retirement accounts and Keogh accounts excluded from income for Federal income tax purposes; and

(D) cash support or any money paid on the student's behalf, except, for dependent students, funds provided by the student's parents.

(2) The term "untaxed income and benefits" shall not include—

(A) the amount of additional child tax credit claimed for Federal income tax purposes;

(B) welfare benefits, including assistance under a State program funded under part A of title IV of the Social Security Act and aid to dependent children;

(C) the amount of earned income credit claimed for Federal income tax purposes;

(D) the amount of credit for Federal tax on special fuels claimed for Federal income tax purposes;

(E) the amount of foreign income excluded for purposes of Federal income taxes; [or]

(F) untaxed social security benefits[.]*;*

(G) worker's compensation;

(H) veteran's benefits such as death pension, dependency, or indemnity compensation, or veterans' education benefits as defined in subsection (c);

(I) interest on tax-free bonds;

(J) housing, food, or other allowances (including rent subsidies for low-income housing) for military, clergy, and others (including cash payments and cash value of benefits), or the value of on-base military housing or the value of basic allowance for housing determined under section 403(b) of title 37, United States Code, received by the parents, in the case of a dependent student, or the student or student's spouse, in the case of an independent student; or

(K) any other untaxed income and benefits, such as Black Lung Benefits, Refugee Assistance, or railroad retirement benefits, or benefits received through participation in employment and training activities under title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3111 et seq.).

(c) VETERAN AND VETERANS' EDUCATION BENEFITS.—(1) The term "veteran" means any individual who—

(A) has engaged in the active duty in the United States Army, Navy, Air Force, Marines, or Coast Guard; and

(B) was released under a condition other than dishonorable.

(2) The term "veterans' education benefits" means veterans' benefits the student will receive during the award year, including but not limited to benefits under the following provisions of law:

(A) Chapter 103 of title 10, United States Code (Senior Reserve Officers' Training Corps).

(B) Chapter 106A of title 10, United States Code (Educational Assistance for Persons Enlisting for Active Duty).

(C) Chapter 1606 of title 10, United States Code (Selected Reserve Educational Assistance Program).

(D) Chapter 1607 of title 10, United States Code (Educational Assistance Program for Reserve Component Members Supporting Contingency Operations and Certain Other Operations).

(E) Chapter 30 of title 38, United States Code (All-Volunteer Force Educational Assistance Program, also known as the "Montgomery GI Bill—active duty").

(F) Chapter 31 of title 38, United States Code (Training and Rehabilitation for Veterans with Service-Connected Disabilities).

(G) Chapter 32 of title 38, United States Code (Post-Vietnam Era Veterans' Educational Assistance Program).

(H) Chapter 33 of title 38, United States Code (Post-9/11 Educational Assistance).

(I) Chapter 35 of title 38, United States Code (Survivors' and Dependents' Educational Assistance Program).

(J) Section 903 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2141 note) (Educational Assistance Pilot Program).

(K) Section 156(b) of the "Joint Resolution making further continuing appropriations and providing for productive employment for the fiscal year 1983, and for other purposes" (42 U.S.C. 402 note) (Restored Entitlement Program for Survivors, also known as "Quayle benefits").

(L) The provisions of chapter 3 of title 37, United States Code, related to subsistence allowances for members of the Reserve Officers Training Corps.

(d) INDEPENDENT STUDENT.—

(1) DEFINITION.—The term "independent", when used with respect to a student, means any individual who—

(A) is 24 years of age or older by December 31 of the award year;

(B) is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older;

(C) is, or was immediately prior to attaining the age of majority, an emancipated minor or in legal guardianship as determined by a court of competent jurisdiction in the individual's State of legal residence;

(D) is a veteran of the Armed Forces of the United States (as defined in subsection (c)(1)) or is currently serving on active duty in the Armed Forces for other than training purposes;

(E) is a graduate or professional student;

(F) is a married individual;

(G) has legal dependents other than a spouse;

(H) has been verified [during the school year in which the application is submitted] as either an unaccompanied youth *age 23 or younger* who is a homeless child or youth (as such [terms are] *term is* defined in section 725 of the

McKinney-Vento Homeless Assistance Act), or as unaccompanied, at risk of homelessness, and self-supporting, by—

(i) a local educational agency homeless liaison, designated pursuant to section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act*, or a designee of the liaison*;

(ii) the director of [a program funded under the Runaway and Homeless Youth Act] *an emergency or transitional shelter, street outreach program, homeless youths drop-in center, or other program serving homeless youths,* or a designee of the director;

(iii) the director of a [program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (relating to emergency shelter grants)] *Federal TRIO program or a Gaining Early Awareness and Readiness for Undergraduate program under chapter 1 or 2 of subpart 2 of part A,* or a designee of the director; or

(iv) a financial aid administrator; or

(I) is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

(2) SIMPLIFYING THE DEPENDENCY OVERRIDE PROCESS.—A financial aid administrator may make a determination of independence under paragraph (1)(I) based upon a documented determination of independence that was previously made by another financial aid administrator under such paragraph in the same award year.

(3) SIMPLIFYING THE DETERMINATION PROCESS FOR UNACCOMPANIED YOUTH.—

(A) VERIFICATION.—A financial aid administrator shall accept a determination of independence made by any individual authorized to make such determinations under clause (i), (ii), or (iii) of paragraph (1)(H) in the absence of conflicting information. A documented phone call with, or a written statement from, one of the authorized individuals is sufficient verification when needed. For purposes of this paragraph, a financial aid administrator's disagreement with the determination made by an authorized individual shall not be considered conflicting information.

(B) DETERMINATION OF INDEPENDENCE.—A financial aid administrator shall make a determination of independence under paragraph (1)(H) if a student does not have, and cannot obtain, documentation from any of the other designated authorities described in such paragraph. Such a determination shall be—

(i) based on the definitions outlined in paragraph (1)(H);

(ii) distinct from a determination of independence under paragraph (1)(I);

(iii) based on a documented interview with the student; and

(iv) limited to whether the student meets the definitions in paragraph (1)(H) and not about the reasons for the student's homelessness.

(C) ADDITIONAL STREAMLINING PERMITTED.—Nothing in this paragraph prohibits an institution from implementing polices that—

(i) streamline the determination of independence under paragraph (1)(H); and

(ii) improve a student's access to financial aid because that student is an unaccompanied youth.

(4) SIMPLIFYING THE VERIFICATION PROCESS FOR FOSTER CARE YOUTH.—

(A) VERIFICATION OF INDEPENDENCE.—If an institution requires documentation to verify that a student is independent based on a status described in paragraph (1)(B), a financial aid administrator shall consider any of the following as adequate verification:

(i) Submission of a court order or official State documentation that the student received Federal or State support in foster care.

(ii) A documented phone call with, a written statement from, or verifiable data match with—

(I) a child welfare agency authorized by a State or county;

(II) a Tribal child welfare authority;

(III) an Independent Living case worker;

(IV) a public or private foster care placing agency or foster care facility or placement;

(V) another program serving orphans, foster care youth, or wards of the court; or

(VI) a probation officer.

(iii) A documented phone call with, or a written statement from, an attorney, a guardian ad litem, or a Court Appointed Special Advocate, documenting that person's relationship to the student.

(iv) A documented phone call with, or a written statement from, a representative of a Federal TRIO program or a Gaining Early Awareness and Readiness for Undergraduate program under chapter 1 or 2 of subpart 2 of part A.

(v) Verification of the student's eligibility for an education and training voucher under the John H. Chafee Foster Care Independence Program (42 U.S.C. 677).

(vi) Documentation of foster care provided pursuant to section 475(5)(I) of the Social Security Act (45 U.S.C. 675(5)(I)).

(vii) Submission of a copy of the student's biological or adoptive parents' or legal guardians'—

(I) Certificates of Death; or

(II) verifiable obituaries.

(viii) An attestation from the student, which includes a description of why the student may qualify for a status described in paragraph (1)(B), including the approximate dates that the student was in foster care, dependent, or a ward of the court, to the best of the student's knowledge after making reasonable efforts to provide any requested documentation.

(B) ADDITIONAL STREAMLINING PERMITTED.—Nothing in this paragraph prohibits an institution from implementing polices that streamline the determination of independent status and improve a student's access to financial aid because that student is an orphan, in foster care, or a ward of the court, or was an orphan, in foster care, or a ward of the court at any time since such student was 13 years of age or older.

(5) TIMING; USE OF EARLIER DETERMINATION.—

(A) TIMING.—A determination under subparagraph (B) or (H) of paragraph (1) for a student—

(i) shall be made as quickly as practicable;

(ii) may be made as early as the year before the award year for which the student initially submits an application; and

(iii) shall be made no later than during the award year for which the student initially submits an application.

(B) USE OF EARLIER DETERMINATION.—Any student who is determined to be independent under subparagraph (B) or (H) of paragraph (1) for a preceding award year at an institution shall be presumed to be independent for each subsequent award year at the same institution unless—

(i) the student informs the institution that circumstances have changed; or

(ii) the institution has specific conflicting information about the student's independence, and has informed the student of this information and the opportunity to challenge such information through a documented interview or an impartial review by the Borrower Advocate pursuant to section 141(f)(6)(C).

(6) RETENTION OF DOCUMENTS.—A financial aid administrator shall retain all documents related to the determination of independence under subparagraph (B) or (H) of paragraph (1), including documented interviews, for the duration of the student's enrollment at the institution and for a minimum of 1 year after the student is no longer enrolled at the institution.

(e) EXCLUDABLE INCOME.—The term "excludable income" means—

(1) any student financial assistance awarded based on need as determined in accordance with the provisions of this part, including any income earned from work under part C of this title;

(2) any income earned from work under a cooperative education program offered by an institution of higher education;

(3) any living allowance received by a participant in a program established under the National and Community Service Act of 1990;

(4) child support payments made by the student or parent;

[(5) payments made and services provided under part E of title IV of the Social Security Act; and**]**

(5) payments made and services provided under part E of title IV of the Social Security Act to or on behalf of any child or youth over whom the State agency has responsibility for placement, care, or supervision, including the value of vouchers

for education and training and amounts expended for room and board for youth who are not in foster care but are receiving services under section 477 of such Act; and

(6) special combat pay.

(f) ASSETS.—(1) The term "assets" means cash on hand, including the amount in checking and savings accounts, time deposits, money market funds, trusts, stocks, bonds, other securities, mutual funds, tax shelters, qualified education benefits (except as provided in paragraph (3)), and the net value of real estate, income producing property, and business and farm assets.

(2) With respect to determinations of need under this title, other than for subpart 4 of part A, the term "assets" shall not include the net value of—

(A) the family's principal place of residence;

(B) a family farm on which the family resides; or

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

(3) A qualified education benefit shall be considered an asset of—

(A) the student if the student is an independent student; or

(B) the parent if the student is a dependent student, regardless of whether the owner of the account is the student or the parent.

(4) In determining the value of assets in a determination of need under this title (other than for subpart 4 of part A), the value of a qualified education benefit shall be—

(A) the refund value of any tuition credits or certificates purchased under a qualified education benefit; and

(B) in the case of a program in which contributions are made to an account that is established for the purpose of meeting the qualified higher education expenses of the designated beneficiary of the account, the current balance of such account.

(5) In this subsection:

(A) The term "qualified education benefit" means—

(i) a qualified tuition program (as defined in section 529(b)(1)(A) of the Internal Revenue Code of 1986) or other prepaid tuition plan offered by a State; and

(ii) a Coverdell education savings account (as defined in section 530(b)(1) of the Internal Revenue Code of 1986).

(B) The term "qualified higher education expenses" has the meaning given the term in section 529(e) of the Internal Revenue Code of 1986.

(g) NET ASSETS.—The term "net assets" means the current market value at the time of application of the assets (as defined in subsection (f)), minus the outstanding liabilities or indebtedness against the assets.

(h) TREATMENT OF INCOME TAXES PAID TO OTHER JURISDICTIONS.—(1) The tax on income paid to the Governments of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or Palau under the laws applicable to those jurisdictions, or

the comparable tax paid to the central government of a foreign country, shall be treated as Federal income taxes.

(2) References in this part to the Internal Revenue Code of 1986, Federal income tax forms, and the Internal Revenue Service shall, for purposes of the tax described in paragraph (1), be treated as references to the corresponding laws, tax forms, and tax collection agencies of those jurisdictions, respectively, subject to such adjustments as the Secretary may provide by regulation.

(i) CURRENT BALANCE.—The term "current balance of checking and savings accounts" does not include any funds over which an individual is barred from exercising discretion and control because of the actions of any State in declaring a bank emergency due to the insolvency of a private deposit insurance fund.

(j) OTHER FINANCIAL ASSISTANCE.—(1) For purposes of determining a student's eligibility for funds under this title, estimated financial assistance not received under this title shall include all scholarships, grants, loans, or other assistance known to the institution at the time the determination of the student's need is made, including national service educational awards or post-service benefits under title I of the National and Community Service Act of 1990 (42 U.S.C. 12511 et seq.), but excluding veterans' education benefits as defined in subsection (c).

(2) Notwithstanding paragraph (1), a tax credit taken under section 25A of the Internal Revenue Code of 1986, or a distribution that is not includable in gross income under section 529 of such Code, under another prepaid tuition plan offered by a State, or under a Coverdell education savings account under section 530 of such Code, shall not be treated as estimated financial assistance for purposes of section 471(3).

(3) Notwithstanding paragraph (1) and section 472, assistance not received under this title may be excluded from both estimated financial assistance and cost of attendance, if that assistance is provided by a State and is designated by such State to offset a specific component of the cost of attendance. If that assistance is excluded from either estimated financial assistance or cost of attendance, it shall be excluded from both.

(4) Notwithstanding paragraph (1), special combat pay shall not be treated as estimated financial assistance for purposes of section 471(3).

(k) DEPENDENTS.—(1) Except as otherwise provided, the term "dependent of the parent" means the student, dependent children of the student's parents, including those children who are deemed to be dependent students when applying for aid under this title, and other persons who live with and receive more than one-half of their support from the parent and will continue to receive more than half of their support from the parent during the award year.

(2) Except as otherwise provided, the term "dependent of the student" means the student's dependent children and other persons (except the student's spouse) who live with and receive more than one-half of their support from the student and will continue to receive more than half of their support from the student during the award year.

(l) FAMILY SIZE.—(1) In determining family size in the case of a dependent student—

(A) if the parents are not divorced or separated, family members include the student's parents, and the dependents of the student's parents including the student;

(B) if the parents are divorced or separated, family members include the parent whose income is included in computing available income and that parent's dependents, including the student; and

(C) if the parents are divorced and the parent whose income is so included is remarried, or if the parent was a widow or widower who has remarried, family members also include, in addition to those individuals referred to in subparagraph (B), the new spouse and any dependents of the new spouse if that spouse's income is included in determining the parents' adjusted available income.

(2) In determining family size in the case of an independent student—

(A) family members include the student, the student's spouse, and the dependents of the student; and

(B) if the student is divorced or separated, family members do not include the spouse (or ex-spouse), but do include the student and the student's dependents.

(m) BUSINESS ASSETS.—The term "business assets" means property that is used in the operation of a trade or business, including real estate, inventories, buildings, machinery, and other equipment, patents, franchise rights, and copyrights.

(n) SPECIAL COMBAT PAY.—The term "special combat pay" means pay received by a member of the Armed Forces because of exposure to a hazardous situation.

PART G—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE PROGRAMS

SEC. 481. DEFINITIONS.

(a) ACADEMIC AND AWARD YEAR.—(1) For the purpose of any program under this title, the term "award year" shall be defined as the period beginning July 1 and ending June 30 of the following year.

(2)(A) For the purpose of any program under this title, the term "academic year" shall—

(i) require a minimum of 30 weeks of instructional time for a course of study that measures its program length in credit hours; or

(ii) require a minimum of 26 weeks of instructional time for a course of study that measures its program length in clock hours; and

(iii) require an undergraduate course of study to contain an amount of instructional time whereby a full-time student is expected to complete at least—

(I) 24 semester or trimester hours or 36 quarter credit hours in a course of study that measures its program length in credit hours; or

(II) 900 clock hours in a course of study that measures its program length in clock hours.

(B) The Secretary may reduce such minimum of 30 weeks to not less than 26 weeks for good cause, as determined by the Secretary on a case-by-case basis, in the case of an institution of higher edu-

cation that provides a 2-year or 4-year program of instruction for which the institution awards an associate or baccalaureate degree and that measures program length in credit hours or clock hours.

(b) ELIGIBLE PROGRAM.—(1) For purposes of this title, the term "eligible program" means a program of at least—

(A) 600 clock hours of instruction, 16 semester hours, or 24 quarter hours, offered during a minimum of 15 weeks, in the case of a program that—

(i) provides a program of training to prepare students for gainful employment in a recognized [profession] *occupation*; and

(ii) admits students who have not completed the equivalent of an associate degree; or

(B) 300 clock hours of instruction, 8 semester hours, or 12 hours, offered during a minimum of 10 weeks, in the case of—

(i) an undergraduate program that requires the equivalent of an associate degree for admissions; or

(ii) a graduate or professional program.

(2)(A) A program is an eligible program for purposes of part B of this title if it is a program of at least 300 clock hours of instruction, but less than 600 clock hours of instruction, offered during a minimum of 10 weeks, that—

(i) has a verified completion rate of at least 70 percent, as determined in accordance with the regulations of the Secretary;

(ii) has a verified placement rate of at least 70 percent, as determined in accordance with the regulations of the Secretary; and

(iii) has a verified annual earnings rate among individuals who completed the program, as determined under subparagraph (D), that is not less than the average or median annual earnings rate of individuals with only a high school diploma (or the equivalent) based on the most recently available data from the Bureau of Labor Statistics or the Bureau of the Census with respect to—

(I) such average or median earnings rate in the United States; or

(II) subject to subparagraph (E), such average or median earnings rate in the State or local area in which the institution offering the program is located;

(iv) prepares students for gainful employment in a recognized occupation;

(v) has been in operation for not less than two consecutive years; and

[(iii)] *(vi)* satisfies such further criteria as the Secretary may prescribe by regulation.

(B) In the case of a program being determined eligible for the first time under this paragraph, such determination shall be made by the Secretary before such program is considered to have satisfied the requirements of this paragraph.

(C)(i) For each subsequent year for which a program seeks eligibility under this paragraph, the Secretary shall reevaluate whether the program continues to meet the requirements of clauses (i), (iii), (iv), and (vi) of subparagraph (A). A program that does not meet such requirements for two consecutive award years (or, in the case

of a program that does not meet the requirements under subparagraph (A)(iv), for a period of time determined by the Secretary) shall be ineligible to participate in programs under this title—

(I) for the period of two award years following the last award year for which the program was eligible to participate in such programs; and

(II) for any subsequent award year, unless the program reapplies for eligibility in accordance with clause (iii) and the Secretary determines that the program meets the requirements of such clauses.

(ii) Not later than 60 days after receiving notification from the Secretary of the loss of eligibility under clause (i), a program may appeal a loss of eligibility to the Secretary. The Secretary may restore the eligibility of a program under this paragraph if the program demonstrates to the Secretary that extenuating circumstances led to the loss of eligibility.

(iii) The Secretary shall issue a decision on any appeal submitted by a program under clause (ii) not later than 45 days after its submission.

(iv) After the expiration of the two-year period described in clause (i)(I), a program that lost eligibility under clause (i) may reapply to the Secretary for a determination of eligibility under this paragraph.

(D)(i) In this subsection, the term "verified annual earnings rate" means the mean or median annual earnings rate (whichever is higher) of individuals who completed a program calculated as of the date that is approximately one year after the date on which such individuals completed the program.

(ii) For the first year for which a program seeks eligibility under this paragraph, the institution that offers such program shall—

(I) determine the verified annual earnings rate using data obtained on individuals who completed the program;

(II) obtain an audit of such determination from an independent auditor;

(III) together with the auditor described in subclause (II), certify the accuracy of the verified annual earnings rate to the Secretary; and

(IV) determine the completion rate for the program, as described in subparagraph (A)(i), and certify to the Secretary the accuracy of such determination.

(iii) For each subsequent year for which a program seeks eligibility under this paragraph, the Secretary shall determine the verified annual earnings rate and completion rate for the program using data made available to the Secretary through the postsecondary student data system established under section 132(l) or a successor system (whichever includes the most recent data).

(E)(i) Except as provided in clause (ii), for purposes of calculating the average annual earnings rate of individuals with only a high school diploma (or the equivalent) under subparagraph (A)(ii) the Secretary shall apply the national average or median earnings rate in the United States.

(ii) The Secretary may apply the average or median earnings rate in the State or local area in which the institution offering a program is located, in lieu of the national average earnings rate, if the institution provides sufficient justification to the Secretary.

(F) Using the postsecondary student data system established under section 132(l) or a successor system to streamline reporting requirements and minimize reporting burdens, and in coordination with the National Center for Education Statistics and each institution of higher education offering an eligible program under this paragraph, the Secretary shall, on at least an annual basis, collect data with respect to each such eligible program, including the following:

(i) The number and demographics of students who enroll in the program.

(ii) The number of credits attempted and accumulated annually by students enrolled in the program.

(iii) The share of such students who cease enrollment on or before the completion of 60 percent of the payment period or period of enrollment.

(iv) The verified completion rate for the program, as described in subparagraph (A)(i).

(v) The mean and median annual earnings of graduates and the verified annual earnings rate for the program, as described in subparagraph (A)(ii).

(vi) The number and demographics of students who complete the program.

(vii) The outcomes of the students who complete the program, including—

(I) the share of such students who continue enrollment at the institution of higher education offering the program;

(II) the share of such students who transfer to another institution of higher education;

(III) the share of such students who complete a subsequent certificate or degree program;

(IV) the share of such students who secure employment 6 months and 1 year, respectively—

(aa) after completion of such program; or

(bb) in the case of a program that prepares students for a professional license or certification exam, after acquiring such license or certification; and

(V) in the case of a program that prepares students for a professional license or certification exam, the share of such students who pass such exam.

(3) An otherwise eligible program that is offered in whole or in part through telecommunications is eligible for the purposes of this title if the program is offered by an institution, other than a foreign institution, that has been evaluated and determined (before or after the date of enactment of the Higher Education Reconciliation Act of 2005) to have the capability to effectively deliver distance education programs by an accrediting agency or association that—

(A) is recognized by the Secretary under subpart 2 of part H; and

(B) has evaluation of distance education programs within the scope of its recognition, as described in section 496(n)(3).

(4) For purposes of this title, the term "eligible program" includes an instructional program that, in lieu of *or in addition to* credit hours or clock hours as the measure of student learning, utilizes direct assessment of student learning, or recognizes the direct assessment of student learning by others, if such assessment is con-

sistent with the accreditation of the institution or program utilizing the results of the assessment. In the case of a program being determined eligible for the first time under this paragraph, such determination shall be made by the Secretary before such program is considered to be an eligible program.

(c) THIRD PARTY SERVICER.—For purposes of this title, the term "third party servicer" means any individual, any State, or any private, for-profit or nonprofit organization, which enters into a contract with—

(1) any eligible institution of higher education to administer, through either manual or automated processing, any aspect of such institution's student assistance programs under this title; **[**or**]**

(2) any eligible institution of higher education to recruit students; or

[(2)**]** *(3)* any guaranty agency, or any eligible lender, to administer, through either manual or automated processing, any aspect of such guaranty agency's or lender's student loan programs under part B of this title, including originating, guaranteeing, monitoring, processing, servicing, or collecting loans.

(d) DEFINITIONS FOR MILITARY DEFERMENTS.—For purposes of parts B, D, and E of this title:

(1) ACTIVE DUTY.—The term "active duty" has the meaning given such term in section 101(d)(1) of title 10, United States Code, except that such term does not include active duty for training or attendance at a service school.

(2) MILITARY OPERATION.—The term "military operation" means a contingency operation as such term is defined in section 101(a)(13) of title 10, United States Code.

(3) NATIONAL EMERGENCY.—The term "national emergency" means the national emergency by reason of certain terrorist attacks declared by the President on September 14, 2001, or subsequent national emergencies declared by the President by reason of terrorist attacks.

(4) SERVING ON ACTIVE DUTY.—The term "serving on active duty during a war or other military operation or national emergency" means service by an individual who is—

(A) a Reserve of an Armed Force ordered to active duty under section 12301(a), 12301(g), 12302, 12304, or 12306 of title 10, United States Code, or any retired member of an Armed Force ordered to active duty under section 688 of such title, for service in connection with a war or other military operation or national emergency, regardless of the location at which such active duty service is performed; and

(B) any other member of an Armed Force on active duty in connection with such emergency or subsequent actions or conditions who has been assigned to a duty station at a location other than the location at which such member is normally assigned.

(5) QUALIFYING NATIONAL GUARD DUTY.—The term "qualifying National Guard duty during a war or other military operation or national emergency" means service as a member of the National Guard on full-time National Guard duty (as defined in section 101(d)(5) of title 10, United States Code) under a call

to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 502(f) of title 32, United States Code, in connection with a war, other military operation, or a national emergency declared by the President and supported by Federal funds.

(e) CONSUMER REPORTING AGENCY.—For purposes of this title, the term "consumer reporting agency" has the meaning given the term "consumer reporting agency that compiles and maintains files on consumers on a nationwide basis" in Section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p)).

(f) DEFINITION OF EDUCATIONAL SERVICE AGENCY.—For purposes of parts B, D, and E, the term "educational service agency" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965.

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SEC. 483. FORMS AND REGULATIONS.

(a) COMMON FINANCIAL AID FORM DEVELOPMENT AND PROCESSING.—

(1) IN GENERAL.—The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall produce, distribute, and process free of charge common financial reporting forms as described in this subsection to be used for application and reapplication to determine the need and eligibility of a student for financial assistance under parts A through E (other than subpart 4 of part A). The forms shall be made available to applicants in both paper and electronic formats and shall be referred to as the "Free Application for Federal Student Aid" or the "FAFSA". The Secretary shall work to make the FAFSA consumer-friendly and to make questions on the FAFSA easy for students and families to read and understand, and shall ensure that the FAFSA is available in formats accessible to individuals with disabilities.

(2) PAPER FORMAT.—

(A) IN GENERAL.—The Secretary shall develop, make available, and [process—]

[(i) a paper version of EZ FAFSA, as described in subparagraph (B); and]

[(ii) a paper version of the other forms described in this subsection, in accordance with subparagraph (C), for any applicant who does not meet the requirements of or does not wish to use the process described in subparagraph (B).] *process a paper version of the forms described in this subsection, in accordance with subparagraph (B).*

[(B) EZ FAFSA.—

[(i) IN GENERAL.—The Secretary shall develop and use, after appropriate field testing, a simplified paper form, to be known as the EZ FAFSA, to be used for applicants meeting the requirements of subsection (b) or (c) of section 479.

[(ii) REDUCED DATA REQUIREMENTS.—The EZ FAFSA shall permit an applicant to submit, for financial assistance purposes, only the data elements re-

quired to make a determination of whether the applicant meets the requirements under subsection (b) or (c) of section 479.

[(iii) STATE DATA.—The Secretary shall include on the EZ FAFSA such data items as may be necessary to award State financial assistance, as provided under paragraph (5), except that the Secretary shall not include a State's data if that State does not permit the State's resident applicants to use the EZ FAFSA for State assistance.

[(iv) FREE AVAILABILITY AND PROCESSING.—The provisions of paragraph (6) shall apply to the EZ FAFSA, and the data collected by means of the EZ FAFSA shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (10).]

[(C)] *(B)* PROMOTING THE USE OF ELECTRONIC FAFSA.—

(i) IN GENERAL.—The Secretary shall make all efforts to encourage all applicants to utilize the electronic version of the forms described in paragraph (3).

(ii) MAINTENANCE OF THE FAFSA IN A PRINTABLE ELECTRONIC FILE.—The Secretary shall maintain a version of the paper forms described in [subparagraphs (A) and (B)] *subparagraph (A)* in a printable electronic file that is easily portable, accessible, and downloadable to students on the same website used to provide students with the electronic version of the forms described in paragraph (3).

(iii) REQUESTS FOR PRINTED COPY.—The Secretary shall provide a printed copy of the full paper version of FAFSA upon request.

(iv) REPORTING REQUIREMENT.—The Secretary shall maintain data, and periodically report to Congress, on the impact of the digital divide on students completing applications for aid under this title. The Secretary shall report on the steps taken to eliminate the digital divide and reduce production of the paper form described in subparagraph (A). The Secretary's report shall specifically address the impact of the digital divide on the following student populations:

(I) Independent students.

(II) Traditionally underrepresented students.

(III) Dependent students.

(3) ELECTRONIC FORMAT.—

(A) IN GENERAL.—The Secretary shall produce, distribute, and process forms in electronic format to meet the requirements of paragraph (1). [The Secretary shall develop an electronic version of the forms for applicants who do not meet the requirements of subsection (b) or (c) of section 479.]

[(B) SIMPLIFIED APPLICATIONS: FAFSA ON THE WEB.—

[(i) IN GENERAL.—The Secretary shall develop and use a simplified electronic version of the form to be used by applicants meeting the requirements under subsection (b) or (c) of section 479.

[(ii) REDUCED DATA REQUIREMENTS.—The simplified electronic version of the forms shall permit an applicant to submit, for financial assistance purposes, only the data elements required to make a determination of whether the applicant meets the requirements under subsection (b) or (c) of section 479.

[(iii) USE OF FORMS.—Nothing in this subsection shall be construed to prohibit the use of the forms developed by the Secretary pursuant to this paragraph by an eligible institution, eligible lender, guaranty agency, State grant agency, private computer software provider, a consortium thereof, or such other entities as the Secretary may designate.]

[(C)] *(B)* STATE DATA.—The Secretary shall include on the electronic version of the forms such items as may be necessary to determine eligibility for State financial assistance, as provided under paragraph (5), except that the Secretary shall not require an applicant to enter data pursuant to this subparagraph that are required by any State other than the applicant's State of residence.

[(D)] *(C)* AVAILABILITY AND PROCESSING.—The data collected by means of the simplified electronic version of the forms shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (10).

[(E)] *(D)* PRIVACY.—[The Secretary]

(i) IN GENERAL.—The Secretary shall ensure that data collection under this paragraph complies with section 552a of title 5, United States Code, and that any entity using the electronic version of the forms developed by the Secretary pursuant to this paragraph shall maintain reasonable and appropriate administrative, technical, and physical safeguards to ensure the integrity and confidentiality of the information, and to protect against security threats, or unauthorized uses or disclosures of the information provided on the electronic version of the forms. Data collected by such electronic version of the forms shall be used only for the application, award, and administration of aid awarded under this title, State aid, or aid awarded by eligible institutions or such entities as the Secretary may designate. No data collected by such electronic version of the forms shall be used for making final aid awards under this title until such data have been processed by the Secretary or a contractor or designee of the Secretary, except as may be permitted under this title.

(ii) SCHOLARSHIP GRANTING ORGANIZATIONS.—

(I) AUTHORIZATION.—An institution of higher education may, with explicit written consent of an applicant who has completed a form developed under this section, provide such information collected from such form as is necessary to an organization described in subclause (II) that is designated by the applicant to assist the applicant in

applying for and receiving financial assistance for any component of the applicant's cost of attendance at that institution.

(II) DEFINITION OF ORGANIZATION.—An organization described in this subclause—

(aa) means a scholarship granting organization, including a tribal organization (defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304))) or an organization assisting an applicant in applying for and receiving Federal, State, local, or tribal assistance; and

(bb) shall be subject to the requirements of clause (i).

[(F)**]** *(E)* SIGNATURE.—Notwithstanding any other provision of this Act, the Secretary may continue to permit an electronic version of the form under this paragraph to be submitted without a signature, if a signature is subsequently submitted by the applicant or if the applicant uses a personal identification number provided by the Secretary under **[**subparagraph (G)**]** *subparagraph (F)*.

[(G)**]** *(F)* PERSONAL IDENTIFICATION NUMBERS AUTHORIZED.—The Secretary may continue to assign to an applicant a personal identification number—

(i) to enable the applicant to use such number as a signature for purposes of completing an electronic version of a form developed under this paragraph; and

(ii) for any purpose determined by the Secretary to enable the Secretary to carry out this title.

[(H)**]** *(G)* PERSONAL IDENTIFICATION NUMBER IMPROVEMENT.—The Secretary shall continue to work with the Commissioner of Social Security to minimize the time required for an applicant to obtain a personal identification number when applying for aid under this title through an electronic version of a form developed under this paragraph.

(4) STREAMLINING.—

(A) STREAMLINED REAPPLICATION PROCESS.—

(i) IN GENERAL.—The Secretary shall continue to streamline reapplication forms and processes for an applicant who applies for financial assistance under this title in the next succeeding **[**academic year**]** *award year* subsequent to an **[**academic year**]** *award year* for which such applicant applied for financial assistance under this title.

(ii) UPDATING OF DATA ELEMENTS.—The Secretary shall determine, in cooperation with States, institutions of higher education, agencies, and organizations involved in student financial assistance, the data elements that may be transferred from the previous academic year's application and those data elements that shall be updated.

(iii) REDUCED DATA AUTHORIZED.—Nothing in this title shall be construed as limiting the authority of the

Secretary to reduce the number of data elements required of reapplicants.

[(iv) ZERO FAMILY CONTRIBUTION.—Applicants determined to have a zero family contribution pursuant to section 479(c) shall not be required to provide any financial data in a reapplication form, except data that are necessary to determine eligibility under such section.]

(B) REDUCTION OF DATA ELEMENTS.—

(i) REDUCTION ENCOURAGED.—Of the number of data elements on the FAFSA used for the 2009–2010 award year, the Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance and consistent with efforts under subsection (c), shall continue to reduce the number of such data elements required to be entered by all applicants, with the goal of reducing such number by 50 percent.

(ii) REPORT.—The Secretary shall submit a report on the process of this reduction to each of the authorizing committees by June 30, 2011.

(C) SINGLE QUESTION REGARDING HOMELESS STATUS.—The Secretary shall ensure that, on each form developed under this section for which the information is applicable, there is a single, easily understood screening question to identify an applicant for aid who is—

(i) an unaccompanied homeless child or youth (as such term is defined in section 725 of the McKinney-Vento Homeless Assistance Act); or

(ii) an unaccompanied youth who is self-supporting and at risk of homelessness.

(D) INCARCERATED INDIVIDUALS.—

(i) IN GENERAL.—The Secretary shall streamline the forms and processes for an incarcerated individual (as defined in section 401(n)(4)) to apply for a Federal Pell Grant under section 401, which—

(I) shall be used to determine the expected family contribution for such individual as of the date of enrollment in the course for which the individual is applying for such Federal Pell Grant; and

(II) may include—

(aa) flexibility in the submission of any required documentation required to verify eligibility for a Federal Pell Grant; and

(bb) assistance in rehabilitating loans under section 428F.

(ii) REPORT.—Not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, and make publicly available on the website of the Department, a report on how the forms and processes are being streamlined under clause (i).

(5) STATE REQUIREMENTS.—

(A) IN GENERAL.—Except as provided in [paragraphs (2)(B)(iii), (3)(B), and (4)(A)(ii)] *paragraph (4)(A)(ii)*, the Secretary shall include on the forms developed under this subsection, such State-specific data items as the Secretary determines are necessary to meet State requirements for need-based State aid. Such items shall be selected in consultation with State agencies in order to assist in the awarding of State financial assistance in accordance with the terms of this subsection. The number of such data items shall not be less than the number included on the form for the 2008–2009 award year unless a State notifies the Secretary that the State no longer requires those data items for the distribution of State need-based aid.

(B) ANNUAL REVIEW.—The Secretary shall conduct an annual review to [determine—]

[(i)] [which] *determine which* data items each State requires to award need-based State aid[; and].

[(ii) if the State will permit an applicant to file a form described in paragraph (2)(B) or (3)(B).]

(C) FEDERAL REGISTER NOTICE.—[Beginning with the forms developed under paragraphs (2)(B) and (3)(B) for the award year 2010–2011, the Secretary shall publish on an annual basis a notice in the Federal Register requiring State agencies to inform the Secretary—]

[(i) if the State agency is unable to permit applicants to utilize the simplified forms described in paragraphs (2)(B) and (3)(B); and]

[(ii)] [of the State-specific] *The Secretary shall publish on an annual basis a notice in the Federal Register requiring State agencies to inform the Secretary of the State-specific* nonfinancial data that the State agency requires for delivery of State need-based financial aid.

[(D) USE OF SIMPLIFIED FORMS ENCOURAGED.—The Secretary shall encourage States to take such steps as are necessary to encourage the use of simplified forms under this subsection, including those forms described in paragraphs (2)(B) and (3)(B), for applicants who meet the requirements of subsection (b) or (c) of section 479.

[(E) CONSEQUENCES IF STATE DOES NOT ACCEPT SIMPLIFIED FORMS.—If a State does not permit an applicant to file a form described in paragraph (2)(B) or (3)(B) for purposes of determining eligibility for State need-based financial aid, the Secretary may determine that State-specific questions for such State will not be included on a form described in paragraph (2)(B) or (3)(B). If the Secretary makes such determination, the Secretary shall advise the State of the Secretary's determination.

[(F) LACK OF STATE RESPONSE TO REQUEST FOR INFORMATION.—If a State does not respond to the Secretary's request for information under subparagraph (B), the Secretary shall—

[(i) permit residents of that State to complete simplified forms under paragraphs (2)(B) and (3)(B); and

[(ii) not require any resident of such State to complete any data items previously required by that State under this section.]

[(G)] *(D)* RESTRICTION.—The Secretary shall, to the extent practicable, not require applicants to complete any financial or nonfinancial data items that are not required—

(i) by the applicant's State; or

(ii) by the Secretary.

(6) CHARGES TO STUDENTS AND PARENTS FOR USE OF FORMS PROHIBITED.—The need and eligibility of a student for financial assistance under parts A through E (other than under subpart 4 of part A) may be determined only by using a form developed by the Secretary under this subsection. Such forms shall be produced, distributed, and processed by the Secretary, and no parent or student shall be charged a fee by the Secretary, a contractor, a third-party servicer or private software provider, or any other public or private entity for the collection, processing, or delivery of financial aid through the use of such forms. No data collected on a form for which a fee is charged shall be used to complete the form prescribed under this section, except that a Federal or State income tax form prepared by a paid income tax preparer or preparer service for the primary purpose of filing a Federal or State income tax return may be used to complete the form prescribed under this section.

(7) RESTRICTIONS ON USE OF PIN.—No person, commercial entity, or other entity may request, obtain, or utilize an applicant's personal identification number assigned under paragraph (3)(G) for purposes of submitting a form developed under this subsection on an applicant's behalf.

(8) APPLICATION PROCESSING CYCLE.—The Secretary shall enable students to submit forms developed under this subsection and initiate the processing of such forms under this subsection, as early as practicable prior to January 1 of the student's planned year of enrollment.

(9) EARLY ESTIMATES.—The Secretary shall continue to—

(A) permit applicants to enter data in such forms as described in this subsection in the years prior to enrollment in order to obtain a non-binding estimate of the applicant's family contribution (as defined in section 473);

(B) permit applicants to update information submitted on forms described in this subsection, without needing to re-enter previously submitted information;

(C) develop a means to inform applicants, in the years prior to enrollment, of student aid options for individuals in similar financial situations;

(D) develop a means to provide a clear and conspicuous notice that the applicant's expected family contribution is subject to change and may not reflect the final expected family contribution used to determine Federal student financial aid award amounts under this title; and

(E) consult with representatives of States, institutions of higher education, and other individuals with experience or expertise in student financial assistance application proc-

esses in making updates to forms used to provide early estimates under this paragraph.

(10) DISTRIBUTION OF DATA.—Institutions of higher education, guaranty agencies, and States shall receive, without charge, the data collected by the Secretary using a form developed under this subsection for the purposes of processing loan applications and determining need and eligibility for institutional and State financial aid awards. Entities designated by institutions of higher education, guaranty agencies, or States to receive such data shall be subject to all the requirements of this section, unless such requirements are waived by the Secretary.

(11) THIRD PARTY SERVICERS AND PRIVATE SOFTWARE PROVIDERS.—To the extent practicable and in a timely manner, the Secretary shall provide, to private organizations and consortia that develop software used by institutions of higher education for the administration of funds under this title, all the necessary specifications that the organizations and consortia must meet for the software the organizations and consortia develop, produce, and distribute (including any diskette, modem, or network communications) to be so used. The specifications shall contain record layouts for required data. The Secretary shall develop in advance of each processing cycle an annual schedule for providing such specifications. The Secretary, to the extent practicable, shall use multiple means of providing such specifications, including conferences and other meetings, outreach, and technical support mechanisms (such as training and printed reference materials). The Secretary shall, from time to time, solicit from such organizations and consortia means of improving the support provided by the Secretary.

(12) PARENT'S SOCIAL SECURITY NUMBER AND BIRTH DATE.—The Secretary is authorized to include space on the forms developed under this subsection for the social security number and birth date of parents of dependent students seeking financial assistance under this title.

(13) FAFSA PATHWAYS.—

(A) MEMORANDUM OF UNDERSTANDING.—Not later than the effective date of the College Affordability Act, the Secretary shall seek to enter into a Memorandum of Understanding with the Secretary of Health and Human Services, the Secretary of Agriculture, and the Secretary of the Treasury, under which any information exchanged under an income and eligibility verification system established pursuant to section 1137 of the Social Security Act by State agencies administering a program listed in paragraph (1), (4), or (5) of subsection (b) of such section which may be of use in establishing or verifying eligibility or benefit amounts under such program shall be made available to the Secretary of Education to assist in determining whether the applicant (or, in the case of a dependent applicant, whether the applicant or the applicant's parents) received a benefit at some time during the previous 24-month period under a means-tested Federal benefit program, but subject to the requirements of Federal law.

(B) REQUIREMENT FOR ALL APPLICANTS AND THE SECRETARY.—For any award year for which an applicant applies for financial assistance under this title (except for any award year for which, pursuant to paragraph (14), the applicant is not required to submit a FAFSA)—

(i) the applicant shall provide on the form described in this subsection whether the applicant received (or, in the case of a dependent applicant, whether the applicant or the parents of the applicant received) a benefit at some time during the previous 24-month period under a means-tested Federal benefit program; and

(ii) the Secretary, to the extent practicable and pursuant to the Memorandum of Understanding entered into under subparagraph (A), and without any further action by the applicant, shall verify the applicant's (or, in the case of a dependent applicant, the applicant's or the applicant's parents') receipt of such benefit.

(C) PATHWAY ONE APPLICANTS.—

(i) IN GENERAL.—With respect to an applicant who received (or, in the case of a dependent applicant, an applicant who received or whose parents received) a benefit at some time during the previous 24-month period under a means-tested Federal benefit program, the applicant shall not be required to provide any further income or asset information on the form under this subsection.

(ii) DESIGNATION.—For purposes of this section and part F, an applicant described in clause (i) shall be referred to as a "pathway one applicant".

(D) PATHWAY TWO APPLICANTS.—

(i) IN GENERAL.—With respect to an applicant who is not a pathway one applicant and who is described in clause (ii), the Secretary, to the extent practicable, shall use the data retrieval tool under section 484(p) to obtain any information for the applicant beyond the information described in subparagraph (A) for purposes of the form under this subsection.

(ii) REQUIREMENTS.—An applicant described in this clause is an applicant who certifies that—

(I) the applicant is not required to file or, in the case of a dependent applicant, no parent of the applicant is required to file—

(aa) a Federal income tax return; or

(bb) with respect to Internal Revenue Service Form 1040, any of the following forms: Schedule A, Schedule B, Schedule C, Schedule C–EZ, Schedule D, Schedule E, Schedule F, Schedule H, Schedule J, and Schedule SE; and

(II) the sum of the adjusted gross income of the applicant or, in the case of a dependent applicant, the parents of the applicant, is less than or equal to $60,000.

(iii) DESIGNATION.—For purposes of this section and part F, an applicant described in clause (i) shall be referred to as a "pathway two applicant".

(E) PATHWAY THREE APPLICANTS.—

(i) IN GENERAL.—With respect to an applicant who is not a pathway one applicant or a pathway two applicant, the Secretary, to the extent practicable, shall use the data retrieval tool under section 484(p) to obtain any information for the applicant beyond the information described in subparagraph (A) for purposes of the form under this subsection.

(ii) DESIGNATION.—For purposes of this section and part F, an applicant described in clause (i) shall be referred to as a "pathway three applicant".

(F) MEANS-TESTED FEDERAL BENEFIT PROGRAM DEFINED.—For purposes of this paragraph, the term "means-tested Federal benefit program" has the meaning given the term in section 479(d).

(14) ONE-TIME FAFSA FILING.—

(A) IN GENERAL.—Notwithstanding any other provision of this section and subject to subparagraphs (B) and (C), an applicant who submits a FAFSA for the first time for an award year for the period required for the completion of the first undergraduate baccalaureate course of study being pursued by such applicant and is eligible to receive a Federal Pell Grant for such award year, for any succeeding award year—

(i) for which the applicant does not submit a FAFSA and for which the applicant submits a certification form described in subparagraph (D) that does not indicate a change in the dependency status of such applicant, such applicant—

(I) shall not be required to submit a FAFSA to receive financial assistance under this title; and

(II) shall have an expected family contribution for such year that is equal to the expected family contribution of the applicant determined for the award year for which the applicant submitted a FAFSA for such period, except that an adjustment may be made under section 479A that results in a change in such expected family contribution;

(ii) for which the applicant submits a certification form described in subparagraph (D) that indicates a change in the dependency status of the applicant, such applicant—

(I) shall be required to submit a FAFSA with respect to such award year to receive financial assistance under this title; and

(II) shall have an expected family contribution for such year that is determined based on such FAFSA;

(iii) for which the applicant submits a FAFSA, such applicant—

(I) shall have an expected family contribution for such year that is determined based on such FAFSA; and

(II) shall be required to submit a FAFSA for any other award year for which the applicant seeks financial assistance under this title; and

(iv) for which the applicant does not submit a certification form described in subparagraph (D), such applicant shall submit a FAFSA for such succeeding award year and any other award year for which the applicant seeks financial assistance under this title.

(B) ADJUSTMENT OF EXPECTED FAMILY CONTRIBUTION.—With respect to an applicant described in subparagraph (A)(i) who receives an adjustment under section 479A that results in a change to the expected family contribution of the applicant, for any succeeding award year after the award year for which the adjustment was made, subclause (II) of such subparagraph shall be applied to such applicant by substituting "expected family contribution of the applicant as most recently changed as a result of an adjustment under section 479A for such applicant" for the "expected family contribution of the applicant determined for the award year for which the applicant submitted a FAFSA for such period".

(C) RULE FOR CERTAIN STUDENTS.—With respect to an applicant who submits a FAFSA for award year 2021–2022 and enrolls in an institution of higher education for such year, subparagraph (A) shall be applied—

(i) in the matter preceding clause (i), by substituting "award year 2021–2022" for "the first time for an award year"; and

(ii) in clause (i)(II), by substituting "award year 2021–2022" for "the award year for which the applicant submitted a FAFSA for such period".

(D) STUDENT CERTIFICATION FORM.—The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall use behavioral science insights to produce, distribute, and process free of charge a short and simple consumer-tested certification form that uses skip logic to bypass fields that are inapplicable to an applicant. Such form shall not require an applicant to provide data that the Secretary may otherwise obtain with respect to the applicant (such as age or active duty military status), and may only contain the data elements required for purposes of subparagraph (A)(i)—

(i) to confirm whether the applicant is—

(I) a dependent student;

(II) a single independent student or a married independent student without dependents (other than a spouse); or

(III) an independent student with dependents other than a spouse;

(ii) to allow the applicant to update the contact information of such applicant or the Federal School Code of the institution of higher education in which the appli-

cant is, or will be enrolled, for the award year for which the applicant submits such form; and

(iii) to ask whether the applicant's need and eligibility for financial assistance under this title has not changed substantially since the most recent of the following:

(I) The applicant submitted a FAFSA.

(II) The applicant received an adjustment under section 479A that results in a change to the expected family contribution of the applicant.

(E) DEFINITIONS.—In this paragraph:

(i) DEPENDENCY STATUS.—The term "dependency status" means the status of an applicant as—

(I) a dependent student;

(II) a single independent student or a married independent student without dependents (other than a spouse); or

(III) an independent student with dependents other than a spouse.

(ii) SUCCEEDING AWARD YEAR.—The term "succeeding award year"—

(I) when used with respect to an applicant who submits a FAFSA for the first time for an award year for the period required for the completion of the first undergraduate baccalaureate course of study being pursued by such applicant, means any award year for such period that follows the award year for which the applicant submits such FAFSA; and

(II) when used with respect to an applicant described in subparagraph (C), means any award year after award year 2021–2022 for the period required for the completion of the first undergraduate baccalaureate course of study being pursued by such applicant.

(15) FAFSA IN VARIOUS LANGUAGES.—The Secretary shall—

(A) translate the form developed under this subsection into not fewer than 11 foreign languages based on the languages most often spoken by English learner students and their parents, and make the translated form available and accessible to applicants in paper and electronic formats; and

(B) ensure that the form developed under this subsection is available in formats accessible to individuals with disabilities.

(b) INFORMATION TO COMMITTEES OF CONGRESS.—Copies of all rules, regulations, guidelines, instructions, and application forms published or promulgated pursuant to this title shall be provided to the authorizing committees at least 45 days prior to their effective date.

(c) TOLL-FREE INFORMATION.—The Secretary shall contract for, or establish, and publicize a toll-free telephone service to provide timely and accurate information to the general public. The information provided shall include specific instructions on completing the application form for assistance under this title. Such service shall

also include a service accessible by telecommunications devices for the deaf (TDD's) and shall, in addition to the services provided for in the previous sentence, refer such students to the national clearinghouse on postsecondary education or other appropriate provider of technical assistance and information on postsecondary educational services for individuals with disabilities, including the National Technical Assistance Center under section 777. [The Secretary shall continue to implement, to the extent practicable, a toll-free telephone based system to permit applicants who meet the requirements of subsection (b) or (c) of section 479 to submit an application over such system.]

(d) ASSISTANCE IN PREPARATION OF FINANCIAL AID APPLICATION.—

(1) PREPARATION AUTHORIZED.—Notwithstanding any provision of this Act, an applicant may use a preparer for consultative or preparation services for the completion of a form developed under subsection (a) if the preparer satisfies the requirements of this subsection.

(2) PREPARER IDENTIFICATION REQUIRED.—If an applicant uses a preparer for consultative or preparation services for the completion of a form developed under subsection (a), and for which a fee is charged, the preparer shall—

(A) include, at the time the form is submitted to the Department, the name, address or employer's address, social security number or employer identification number, and organizational affiliation of the preparer on the applicant's form; and

(B) be subject to the same penalties as an applicant for purposely giving false or misleading information in the application.

(3) ADDITIONAL REQUIREMENTS.—A preparer that provides consultative or preparation services pursuant to this subsection shall—

(A) clearly inform each individual upon initial contact, including contact through the Internet or by telephone, that the FAFSA [and EZ FAFSA] are free forms that may be completed without professional assistance via paper or electronic version of the forms that are provided by the Secretary;

(B) include in any advertising clear and conspicuous information that the FAFSA [and EZ FAFSA] are free forms that may be completed without professional assistance via paper or electronic version of the forms that are provided by the Secretary;

(C) if advertising or providing any information on a website, or if providing services through a website, include on the website a link to the website that provides the electronic version of the forms developed under subsection (a); and

(D) not produce, use, or disseminate any other form for the purpose of applying for Federal student financial aid other than the form developed by the Secretary under subsection (a).

(4) SPECIAL RULE.—Nothing in this Act shall be construed to limit preparers of the forms required under this title that meet

the requirements of this subsection from collecting source information from a student or parent, including Internal Revenue Service tax forms, in providing consultative and preparation services in completing the forms.

(e) EARLY APPLICATION AND ESTIMATED AWARD DEMONSTRATION PROGRAM.—

(1) PURPOSE AND OBJECTIVES.—The purpose of the demonstration program under this subsection is to measure the benefits, in terms of student aspirations and plans to attend an institution of higher education, and any adverse effects, in terms of program costs, integrity, distribution, and delivery of aid under this title, of implementing an early application system for all dependent students that allows dependent students to apply for financial aid using information from two years prior to the year of enrollment. Additional objectives associated with implementation of the demonstration program are the following:

(A) To measure the feasibility of enabling dependent students to apply for Federal, State, and institutional financial aid in their junior year of secondary school, using information from two years prior to the year of enrollment, by completing any of the forms under this subsection.

(B) To identify whether receiving final financial aid award estimates not later than the fall of the senior year of secondary school provides students with additional time to compete for the limited resources available for State and institutional financial aid and positively impacts the college aspirations and plans of these students.

(C) To measure the impact of using income information from the years prior to enrollment on—

(i) eligibility for financial aid under this title and for other State and institutional aid; and

(ii) the cost of financial aid programs under this title.

(D) To effectively evaluate the benefits and adverse effects of the demonstration program on program costs, integrity, distribution, and delivery of financial aid.

(2) PROGRAM AUTHORIZED.—Not later than two years after the date of enactment of the Higher Education Opportunity Act, the Secretary shall implement an early application demonstration program enabling dependent students who wish to participate in the program—

(A) to complete an application under this subsection during the academic year that is two years prior to the year such students plan to enroll in an institution of higher education; and

(B) based on the application described in subparagraph (A), to obtain, not later than one year prior to the year of the students' planned enrollment, information on eligibility for Federal Pell Grants, Federal student loans under this title, and State and institutional financial aid for the student's first year of enrollment in the institution of higher education.

(3) EARLY APPLICATION AND ESTIMATED AWARD.—For all dependent students selected for participation in the demonstra-

tion program who submit a completed FAFSA, [or, as appropriate, an EZ FAFSA,] two years prior to the year such students plan to enroll in an institution of higher education, the Secretary shall, not later than one year prior to the year of such planned enrollment—

(A) provide each student who completes an early application with an estimated determination of such student's—

(i) expected family contribution for the first year of the student's enrollment in an institution of higher education; and

(ii) Federal Pell Grant award for the first such year, based on the Federal Pell Grant amount, determined under section 401(b)(2)(A), for which a student is eligible at the time of application; and

(B) remind the students of the need to update the students' information during the calendar year of enrollment using the expedited reapplication process provided for in subsection (a)(4)(A).

(4) PARTICIPANTS.—The Secretary shall include as participants in the demonstration program—

(A) States selected through the application process described in paragraph (5);

(B) institutions of higher education within the selected States that are interested in participating in the demonstration program, and that can make estimates or commitments of institutional student financial aid, as appropriate, to students the year before the students' planned enrollment date; and

(C) secondary schools within the selected States that are interested in participating in the demonstration program, and that can commit resources to—

(i) advertising the availability of the program;

(ii) identifying students who might be interested in participating in the program;

(iii) encouraging such students to apply; and

(iv) participating in the evaluation of the program.

(5) APPLICATIONS.—Each State that is interested in participating in the demonstration program shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary shall require. The application shall include—

(A) information on the amount of the State's need-based student financial assistance available, and the eligibility criteria for receiving such assistance;

(B) a commitment to make, not later than the year before the dependent students participating in the demonstration program plan to enroll in an institution of higher education, an estimate of the award of State financial aid to such dependent students;

(C) a plan for recruiting institutions of higher education and secondary schools with different demographic characteristics to participate in the program;

(D) a plan for selecting institutions of higher education and secondary schools to participate in the program that—

(i) demonstrate a commitment to encouraging students to submit a FAFSA, [or, as appropriate, an EZ FAFSA,] two years before the students' planned date of enrollment in an institution of higher education;

(ii) serve different populations of students;

(iii) in the case of institutions of higher education—

(I) to the extent possible, are of varying types and sectors; and

(II) commit to making, not later than the year prior to the year that dependent students participating in the demonstration program plan to enroll in the institution—

(aa) estimated institutional awards to participating dependent students; and

(bb) estimated grants or other financial aid available under this title (including supplemental grants under subpart 3 of part A), for all participating dependent students, along with information on State awards, as provided to the institution by the State;

(E) a commitment to participate in the evaluation conducted by the Secretary; and

(F) such other information as the Secretary may require.

(6) SPECIAL PROVISIONS.—

(A) DISCRETION OF STUDENT FINANCIAL AID ADMINISTRATORS.—A financial aid administrator at an institution of higher education participating in a demonstration program under this subsection may use the discretion provided under section 479A as necessary for students participating in the demonstration program.

(B) WAIVERS.—The Secretary is authorized to waive, for an institution of higher education participating in the demonstration program, any requirements under this title, or regulations prescribed under this title, that will make the demonstration program unworkable, except that the Secretary shall not waive any provisions with respect to the maximum award amounts for grants and loans under this title.

(7) OUTREACH.—The Secretary shall make appropriate efforts to notify States of the demonstration program under this subsection. Upon determination of participating States, the Secretary shall continue to make efforts to notify institutions of higher education and dependent students within participating States of the opportunity to participate in the demonstration program and of the participation requirements.

(8) EVALUATION.—The Secretary shall conduct a rigorous evaluation of the demonstration program to measure the program's benefits and adverse effects, as the benefits and effects relate to the purpose and objectives of the program described in paragraph (1). In conducting the evaluation, the Secretary shall—

(A) determine whether receiving financial aid estimates one year prior to the year in which the student plans to enroll in an institution of higher education, has a positive

impact on the higher education aspirations and plans of such student;

(B) measure the extent to which using a student's income information from the year that is two years prior to the student's planned enrollment date had an impact on the ability of States and institutions of higher education to make financial aid awards and commitments;

(C) determine what operational changes are required to implement the program on a larger scale;

(D) identify any changes to Federal law that are necessary to implement the program on a permanent basis;

(E) identify the benefits and adverse effects of providing early estimates on program costs, program operations, program integrity, award amounts, distribution, and delivery of aid; and

(F) examine the extent to which estimated awards differ from actual awards made to students participating in the program.

(9) CONSULTATION.—The Secretary shall consult, as appropriate, with the Advisory Committee on Student Financial Assistance established under section 491 on the design, implementation, and evaluation of the demonstration program.

[(f) REDUCTION OF INCOME AND ASSET INFORMATION TO DETERMINE ELIGIBILITY FOR STUDENT FINANCIAL AID.—

[(1) CONTINUATION OF CURRENT FAFSA SIMPLIFICATION EFFORTS.—The Secretary shall continue to examine—

[(A) how the Internal Revenue Service can provide to the Secretary income and other data needed to compute an expected family contribution for taxpayers and dependents of taxpayers, and when in the application cycle the data can be made available;

[(B) whether data provided by the Internal Revenue Service can be used to—

[(i) prepopulate the electronic version of the FAFSA with student and parent taxpayer data; or

[(ii) generate an expected family contribution without additional action on the part of the student and taxpayer; and

[(C) whether the data elements collected on the FAFSA that are needed to determine eligibility for student aid, or to administer the Federal student financial aid programs under this title, but are not needed to compute an expected family contribution, such as information regarding the student's citizenship or permanent residency status, registration for selective service, or driver's license number, can be reduced without adverse effects.

[(2) REPORT ON FAFSA SIMPLIFICATION EFFORTS TO DATE.—Not later than 90 days after the date of enactment of the Higher Education Opportunity Act, the Secretary shall provide a written report to the authorizing committees on the work the Department has done with the Secretary of the Treasury regarding—

[(A) how the expected family contribution of a student can be calculated using substantially less income and asset information than was used on March 31, 2008;

[(B) the extent to which the reduced income and asset information will result in a redistribution of Federal grants and subsidized loans under this title, State aid, or institutional aid, or in a change in the composition of the group of recipients of such aid, and the amount of such redistribution;

[(C) how the alternative approaches for calculating the expected family contribution will—

[(i) rely mainly, in the case of students and parents who file income tax returns, on information available on the 1040, 1040EZ, and 1040A; and

[(ii) include formulas for adjusting income or asset information to produce similar results to the existing approach with less data;

[(D) how the Internal Revenue Service can provide to the Secretary of Education income and other data needed to compute an expected family contribution for taxpayers and dependents of taxpayers, and when in the application cycle the data can be made available;

[(E) whether data provided by the Internal Revenue Service can be used to—

[(i) prepopulate the electronic version of the FAFSA with student and parent taxpayer data; or

[(ii) generate an expected family contribution without additional action on the part of the student and taxpayer;

[(F) the extent to which the use of income data from two years prior to a student's planned enrollment date will change the expected family contribution computed in accordance with part F, and potential adjustments to the need analysis formula that will minimize the change; and

[(G) the extent to which the data elements collected on the FAFSA on March 31, 2008, that are needed to determine eligibility for student aid or to administer the Federal student financial aid programs, but are not needed to compute an expected family contribution, such as information regarding the student's citizenship or permanent residency status, registration for selective service, or driver's license number, can be reduced without adverse effects.

[(3) STUDY.—

[(A) FORMATION OF STUDY GROUP.—Not later than 90 days after the date of enactment of the Higher Education Opportunity Act, the Comptroller General shall convene a study group the membership of which shall include the Secretary of Education, the Secretary of the Treasury, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, representatives of institutions of higher education with expertise in Federal and State financial aid assistance, State chief executive officers of higher education with a demonstrated commitment to simplifying the FAFSA, and such other individuals as the Comptroller General and the Secretary of Education may designate.

[(B) STUDY REQUIRED.—The Comptroller General, in consultation with the study group convened under subparagraph (A) shall—

[(i) review and build on the work of the Secretary of Education and the Secretary of the Treasury, and individuals with expertise in analysis of financial need, to assess alternative approaches for calculating the expected family contribution under the statutory need analysis formula in effect on the day before the date of enactment of the Higher Education Opportunity Act and under a new calculation that will use substantially less income and asset information than was used for the 2008–2009 FAFSA;

[(ii) conduct an additional analysis if necessary; and

[(iii) make recommendations to the authorizing committees.

[(C) OBJECTIVES OF STUDY.—The objectives of the study required under subparagraph (B) are—

[(i) to determine methods to shorten the FAFSA and make the FAFSA easier and less time-consuming to complete, thereby increasing higher education access for low-income students;

[(ii) to identify changes to the statutory need analysis formula that will be necessary to reduce the amount of financial information students and families need to provide to receive a determination of eligibility for student financial aid without causing significant redistribution of Federal grants and subsidized loans under this title; and

[(iii) to review State and institutional needs and uses for data collected on the FAFSA, and to determine the best means of addressing such needs in the case of modification of the FAFSA as described in clause (i), or modification of the need analysis formula as described in clause (ii).

[(D) REQUIRED SUBJECTS OF STUDY.—The study required under subparagraph (B) shall examine—

[(i) with respect to simplification of the financial aid application process using the statutory requirements for need analysis—

[(I) additional steps that can be taken to simplify the financial aid application process for students who (or, in the case of dependent students, whose parents) are not required to file a Federal income tax return for the prior taxable year;

[(II) information on State use of information provided on the FAFSA, including—

[(aa) whether a State uses, as of the time of the study, or can use, a student's expected family contribution based on data from two years prior to the student's planned enrollment date;

[(bb) the extent to which States and institutions will accept the data provided by the Internal Revenue Service to prepopulate the

electronic version of the FAFSA to determine the distribution of State and institutional student financial aid funds;

[(cc) what data are used by States, as of the time of the study, to determine eligibility for State student financial aid, and whether the data are used for merit- or need-based aid;

[(dd) whether State data are required by State law, State regulations, or policy directives; and

[(ee) the extent to which any State-specific information requirements can be met by completion of a State application linked to the electronic version of the FAFSA; and

[(III) information on institutional needs, including the extent to which institutions of higher education are already using supplemental forms to collect additional data from students and their families to determine eligibility for institutional funds; and

[(ii) ways to reduce the amount of financial information students and families need to provide to receive a determination of eligibility for student financial aid, taking into account—

[(I) the amount of redistribution of Federal grants and subsidized loans under this title caused by such a reduction, and the benefits to be gained by having an application process that will be easier for students and their families;

[(II) students and families who do not file income tax returns;

[(III) the extent to which the full array of income and asset information collected on the FAFSA, as of the time of the study, plays an important role in the awarding of need-based State financial aid, and whether the State can use an expected family contribution generated by the FAFSA, instead of income and asset information or a calculation with reduced data elements, to support determinations of eligibility for such State aid programs and, if not, what additional information will be needed or what changes to the FAFSA will be required; and

[(IV) information on institutional needs, including the extent to which institutions of higher education are already using supplemental forms to collect additional data from students and their families to determine eligibility for institutional funds; and

[(V) changes to this Act or other laws that will be required to implement a modified need analysis system.

[(4) CONSULTATION.—The Secretary shall consult with the Advisory Committee on Student Financial Assistance estab-

lished under section 491 as appropriate in carrying out this subsection.

[(5) REPORTS.—

[(A) REPORTS ON STUDY.—The Secretary shall prepare and submit to the authorizing committees—

[(i) not later than one year after the date of enactment of the Higher Education Opportunity Act, an interim report on the progress of the study required under paragraph (3) that includes any preliminary recommendations by the study group established under such paragraph; and

[(ii) not later than two years after the date of enactment of the Higher Education Opportunity Act, a final report on the results of the study required under paragraph (3) that includes recommendations by the study group established under such paragraph.

[(B) REPORTS ON FAFSA SIMPLIFICATION EFFORTS.—The Secretary shall report to the authorizing committees, from time to time, on the progress of the simplification efforts under this subsection.

[(g) ADDRESSING THE DIGITAL DIVIDE.—The Secretary shall utilize savings accrued by moving more applicants to the electronic version of the forms described in subsection (a)(3) to improve access to the electronic version of the forms described in such subsection for applicants meeting the requirements of subsection (b) or (c) of section 479.]

(f) USE OF INTERNAL REVENUE SERVICE DATA RETRIEVAL TOOL TO POPULATE FAFSA.—

(1) SIMPLIFICATION EFFORTS.—The Secretary shall—

(A) make every effort to allow applicants to utilize the data retrieval tool to transfer data available from the Internal Revenue Service to reduce the amount of original data entry by applicants and strengthen the reliability of data used to calculate expected family contributions, including through the use of technology to—

(i) allow an applicant to automatically populate the electronic version of the forms under this paragraph with data available from the Internal Revenue Service; and

(ii) direct an applicant to appropriate questions on such forms based on the applicant's answers to previous questions; and

(B) allow taxpayers, regardless of filing status, to utilize the data retrieval tool to its full capacity.

(2) USE OF TAX RETURN IN APPLICATION PROCESS.—The Secretary shall continue to examine whether data provided by the Internal Revenue Service can be used to generate an expected family contribution without additional action on the part of the student and taxpayer.

(3) REPORTS ON FAFSA SIMPLIFICATION EFFORTS.—Not less than once every other year, the Secretary shall report to the authorizing committees and the Committees on Appropriations of the House of Representatives and the Senate on the progress of the simplification efforts under this subsection.

[(h)] *(g)* ADJUSTMENTS.—The Secretary shall disclose, on the form notifying a student of the student's expected family contribution, that the student may, on a case-by-case basis, qualify for an adjustment under section 479A to the cost of attendance or the values of the data items required to calculate the expected contribution for the student or parent. Such disclosure shall specify—

(1) the special circumstances under which a student or family member may qualify for such adjustment; and

(2) additional information regarding the steps a student or family member may take in order to seek an adjustment under section 479A.

(h) DATA TRANSPARENCY ON THE NUMBER OF APPLICANTS.—

(1) IN GENERAL.—The Secretary shall annually publish data on the number of individuals who apply for Federal student aid pursuant to this section who are homeless individuals described in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a), including unaccompanied youth and foster care youth.

(2) CONTENTS.—The data described in paragraph (1) with respect to homeless individuals shall include, at a minimum, for each application cycle—

(A) the total number of all applicants who were determined to be (or to be at risk of becoming) unaccompanied homeless youth under section 480(d)(1)(H);

(B) the number of applicants described in subparagraph (A), disaggregated—

(i) by State; and

(ii) by the sources of determination as described in clauses (i) through (iv) of section 480(d)(1)(H); and

(C) the number of undetermined requests for homelessness consideration, including statuses that remain unknown because no determination had been made in response to the applicant's request for the institution to consider the applicant's special circumstance of being homeless.

(i) PROHIBITION ON QUESTIONS RELATING TO DRUG OFFENSES.—The Secretary may not include on the forms developed under this subsection any data items relating to whether an applicant has a conviction of any offense under any Federal or State law involving the possession or sale of a controlled substance (as defined in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

(j) FAFSA VERIFICATION.—

(1) IN GENERAL.—With respect to applicants who submit a FAFSA for an award year and were determined using data provided in such FAFSA to be eligible to receive a Federal Pell Grant for such award year, the Secretary shall submit to the authorizing committees, and make publicly available, a report for such award year on—

(A) the number and share of such applicants who received a Federal Pell Grant for such award year;

(B) the number and share of such applicants who did not receive a Federal Pell Grant for such year;

(C) the number and share of such applicants who were selected by the Secretary for verification of the data provided in the FAFSA;

(D) to the extent practicable, the number and share of applicants described in subparagraph (C) who enrolled in an institution of higher education in a year after such selection;

(E) the number and share of applicants described in subparagraph (C) who completed the verification process;

(F) of the applicants described in subparagraph (E)—

(i) the average of the expected family contribution for all such applicants as determined using data provided in the FAFSA;

(ii) the average of the expected family contribution difference for all such applicants;

(iii) the average of the expected family contribution difference for all such applicants whose expected family contribution as determined using data provided in the verification process was greater than the expected family contribution as determined using data provided in the FAFSA; and

(iv) the average of the expected family contribution difference for all such applicants whose expected family contribution as determined using data provided in the FAFSA was greater than the expected family contribution as determined using data provided in the verification process;

(G) of the applicants described in subparagraph (E)—

(i) the average Federal Pell Grant amount for all such applicants as determined using data provided in the FAFSA;

(ii) the average of the Federal Pell Grant difference for all such applicants;

(iii) the average of the Federal Pell Grant difference for all such applicants whose Federal Pell Grant amount as determined using data provided in the verification process was greater than the Federal Pell Grant amount as determined using data provided in the FAFSA;

(iv) the average of the Federal Pell Grant difference for all such applicants whose Federal Pell Grant amount as determined using data provided in the FAFSA was greater than the Federal Pell Grant amount as determined using data provided in the verification process; and

(v) the number and share of such applicants who were determined using the data provided in the verification process to be ineligible for a Federal Pell Grant;

(H) the number and share of applicants described in subparagraph (C) who received a Federal Pell Grant for such award year; and

(I) the number and share of applicants described in subparagraph (C) who did not receive a Federal Pell Grant for such award year.

(2) DISAGGREGATION.—The data provided in a report under paragraph (1) shall be disaggregated—

(A) by applicants who were pathway one applicants for such year;

(B) by applicants who were pathway two applicants for such year;

(C) by applicants who were pathway three applicants for such year; and

(D) with respect to applicants described in subparagraphs (C) and (E), the verification tracking groups of such applicants.

(3) DEFINITIONS.—In this subsection:

(A) EXPECTED FAMILY CONTRIBUTION DIFFERENCE.—The term "expected family contribution difference" means, with respect to an applicant who completed a verification process with respect to the FAFSA, the difference between—

(i) the expected family contribution of such applicant as determined using data provided in the FAFSA; and

(ii) the expected family contribution of such applicant as determined using data provided in the verification process.

(B) FEDERAL PELL GRANT DIFFERENCE.—The term "Federal Pell Grant difference" means, with respect to an applicant who completed a verification process with respect to the FAFSA, the difference between—

(i) the amount of the Federal Pell Grant of such applicant as determined using data provided in the FAFSA; and

(ii) the amount of the Federal Pell Grant of such applicant as determined using data provided in the verification process.

(k) FINANCIAL AID OFFERS.—

(1) REQUIREMENTS FOR OFFERS.—

(A) SECRETARIAL REQUIREMENTS.—Not later than 18 months after the date of enactment of the College Affordability Act, the Secretary shall, based on the consumer testing conducted under subparagraph (E), publish requirements for financial aid offers that shall—

(i) include a requirement that financial aid offers shall serve as the primary source for Federal, State, and institutional financial aid information provided by an institution of higher education participating in any program under this title to each prospective student accepted for admission and each enrolled student at such institution;

(ii) include a requirement that such offers include a standardized quick reference box described in subparagraph (D);

(iii) establish standardized terms and definitions, including for the elements listed in subparagraph (C), that shall be included in each such offer;

(iv) establish formatting requirements with respect to the organization of the elements listed in subparagraph (C)), which shall include a requirement that prohibits such offers from displaying loans in a manner that indicates or implies that such loans reduce the amount owed to the institution or reduce the net price; and

(v) specify the simple, plain-language, and consumer-friendly information to be included in each such offer with respect to the financial aid being offered to a student, which shall include—

(I) an explanation of differences among each such type of financial aid, including clear explanations that—

(aa) grants and scholarships do not have to be repaid;

(bb) loans (including loans made under part D and private education loans (as defined in section 140 of the Truth in Lending Act)) must be repaid with interest; and

(cc) payments under Federal-work study programs under part C are contingent on finding qualified employment and are typically disbursed incrementally in paychecks;

(II) information encouraging students to consider loans made under part D before such private education loans;

(III) information clarifying that students may—

(aa) decline to accept a loan made under part D; or

(bb) accept an amount of such loan that is less than the amount of such loan included in the financial aid offer; and

(IV) in a case in which the institution offers a student such a loan in an amount that is less than the maximum amount for which the student is eligible, an explanation that the student is eligible for additional loans under part D.

(B) INSTITUTIONAL REQUIREMENTS.—Beginning with the award year that begins not less than 1 year after the Secretary publishes requirements under subparagraph (A), each institution of higher education described in subparagraph (A)(i) shall provide a financial aid offer to each student described in such subparagraph prior to each academic year that—

(i) shall comply with the requirements published by the Secretary under subparagraph (A); and

(ii) may be supplemented by the institution with additional, non-contradictory information related to financial aid as long as such supplementary information uses the standardized terms and definitions described in subparagraph (A)(iii).

(C) ELEMENTS.—A financial aid offer provided by an institution of higher education shall include the following elements with respect to the academic year for which the offer is being provided:

(i) The cost of attendance, which shall include separately calculated subtotals of—

(I) an itemized list of estimated direct costs owed to the institution; and

(II) an itemized list of anticipated student expenses not covered under subclause (I).

(ii) Federal, State, and institutional financial aid available to the student, which shall include separately calculated subtotals of—

(I) grants and scholarships;

(II) loans made under part D (excluding Federal Direct Parent PLUS Loans) and part E; and

(III) Federal-work study programs under part C and other on-campus employment.

(iii) Other options that may be available to students to cover the cost of attendance (including Federal Direct Parent PLUS Loans, tuition payment plans, savings, and earnings from other employment).

(iv) The net price, which shall be determined by calculating the difference between—

(I) the cost of attendance described in clause (i); and

(II) the grants and scholarships described in clause (ii)(I).

(v) Next step instructions, including—

(I) the process and deadlines for accepting the financial aid; and

(II) information about where to find additional information on the financial aid offered.

(vi) Any other information determined necessary by the Secretary based on the consumer testing conducted under subparagraph (E), which may include the following:

(I) An estimate of the net direct cost, which shall be determined by calculating the difference between—

(aa) the direct costs owed to the institution described in clause (i)(I); and

(bb) the grants and scholarships described in clause (ii)(I).

(II) Information on average student debt, loan repayment and default rates, loan repayment options, and graduation rates.

(III) In the case of a prospective student, the process and deadlines for enrolling at the institution.

(IV) Information regarding the enrollment period covered by the aid offer, and whether the cost and aid estimates are based on full-time or part-time enrollment.

(D) STANDARDIZED QUICK REFERENCE BOX.—A financial aid offer provided by an institution of higher education shall include a standardized quick reference box to enable students to quickly and easily compare key information on college costs and financial aid—

(i) that shall be included in an identical fashion for each student receiving a financial aid offer from the institution on the first page of such offer;

(ii) the contents and structure of which shall be developed through consumer testing conducted under paragraph (E); and

(iii) that shall include not more than 8 elements, which, at a minimum, shall include—

(I) the cost of attendance;

(II) grants and scholarships; and

(III) net price (as calculated under subparagraph (C)(iv)).

(E) CONSUMER TESTING.—The Secretary shall—

(i) conduct consumer testing that shall serve as the basis in determining the requirements for financial aid offers published under subparagraph (A), which shall include students (including low-income students, English learners, first generation college students, veteran students, graduate students, and undergraduate students (including prospective students and returning students)), students' families (including low-income families, families of English learners, and families with first generation college students), institutions of higher education (including representatives from two- and four-year institutions, public and private institutions, and minority-serving institutions), secondary school and postsecondary counselors, financial aid administrators, nonprofit college access organizations, and nonprofit consumer groups; and

(ii) not later than 60 days after the publication of the requirements under subparagraph (A)—

(I) issue a report on the findings of the consumer testing under this subparagraph; and

(II) specify ways in which the findings are reflected in such requirements.

(2) DEFINITIONS.—In this subsection—

(A) the term "English learner" has the meaning given the term in section 8101(20) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(20)), except that such term does not include individuals described in subparagraph (B) of such section;

(B) the term "first generation college student" has the meaning given the term in section 402A(h));

(C) the term "low-income student" has the meaning given the term in section 419N(b)(7); and

(D) the term "minority-serving institution" means an institution of higher education described in section 371(a).

SEC. 484. STUDENT ELIGIBILITY.

[(a) IN GENERAL.—In order to receive any grant, loan, or work assistance under this title, a student must—

[(1) be enrolled or accepted for enrollment in a degree, certificate, or other program (including a program of study abroad approved for credit by the eligible institution at which such student is enrolled) leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487, except as provided in subsections (b)(3) and (b)(4), and not be enrolled in an elementary or secondary school;

[(2) if the student is presently enrolled at an institution, be maintaining satisfactory progress in the course of study the

student is pursuing in accordance with the provisions of subsection (c);

[(3) not owe a refund on grants previously received at any institution under this title, or be in default on any loan from a student loan fund at any institution provided for in part E, or a loan made, insured, or guaranteed by the Secretary under this title for attendance at any institution;

[(4) file with the Secretary, as part of the original financial aid application process, a certification, which need not be notarized, but which shall include—

[(A) a statement of educational purpose stating that the money attributable to such grant, loan, or loan guarantee will be used solely for expenses related to attendance or continued attendance at such institution; and

[(B) such student's social security number;

[(5) be a citizen or national of the United States, a permanent resident of the United States, or able to provide evidence from the Immigration and Naturalization Service that he or she is in the United States for other than a temporary purpose with the intention of becoming a citizen or permanent resident; and

[(6) if the student has been convicted of, or has pled nolo contendere or guilty to, a crime involving fraud in obtaining funds under this title, have completed the repayment of such funds to the Secretary, or to the holder in the case of a loan under this title obtained by fraud.]

(a) IN GENERAL.—

(1) GRANTS; LOANS; WORK ASSISTANCE.—In order to receive any grant, loan, or work assistance under this title, a student must—

(A) be enrolled or accepted for enrollment in a degree, certificate, or other program (including a program of study abroad approved for credit by the eligible institution at which such student is enrolled) leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487, except as provided in subsections (b)(3) and (b)(4), and not be enrolled in an elementary or secondary school;

(B) if the student is presently enrolled at an institution, be maintaining satisfactory progress in the course of study the student is pursuing in accordance with the provisions of subsection (c);

(C) not owe a refund on grants previously received at any institution under this title, or be in default on any loan from a student loan fund at any institution provided for in part E, or a loan made, insured, or guaranteed by the Secretary under this title for attendance at any institution;

(D) file with the Secretary, as part of the original financial aid application process, a certification, which need not be notarized, but which shall include—

(i) a statement of educational purpose stating that the money attributable to such grant, loan, or loan guarantee will be used solely for expenses related to at-

tendance or continued attendance at such institution; and

(ii) such student's social security number; and

(E) if the student has been convicted of, or has pled nolo contendere or guilty to, a crime involving fraud in obtaining funds under this title, have completed the repayment of such funds to the Secretary, or to the holder in the case of a loan under this title obtained by fraud.

(2) GRANTS; LOANS; WORK ASSISTANCE; SERVICES.—

(A) IN GENERAL.—In order to receive any grant, loan, or work assistance under this title, or any service provided pursuant to a program or project funded under this title, a student must—

(i) be a citizen, national, or permanent resident of the United States;

(ii) be able to provide evidence from the Department of Homeland Security that he or she is in the United States for other than a temporary purpose with the intention of becoming a citizen or permanent resident;

(iii) have temporary protected status under section 244 of the Immigration and Nationality Act (8 U.S.C. 1254a); or

(iv) be a Dreamer student, as defined in subsection (q).

(B) EXCEPTIONS.—Subparagraph (A) shall not be construed to affect eligibility for participation in projects funded under chapter 2 of subpart 2 of part A or section 418A(b).

(b) ELIGIBILITY FOR STUDENT LOANS.—(1) In order to be eligible to receive any loan under this title (other than a loan under section 428B or 428C, or under section 428H pursuant to an exercise of discretion under section 479A) for any period of enrollment, a student who is not a graduate or professional student (as defined in regulations of the Secretary), and who is enrolled in a program at an institution which has a participation agreement with the Secretary to make awards under subpart 1 of part A of this title, shall—

(A)(i) have received a determination of eligibility or ineligibility for a Pell Grant under such subpart 1 for such period of enrollment; and (ii) if determined to be eligible, have filed an application for a Pell Grant for such enrollment period; or

(B) have (A) filed an application with the Pell Grant processor for such institution for such enrollment period, and (B) received from the financial aid administrator of the institution a preliminary determination of the student's eligibility or ineligibility for a grant under such subpart 1.

(2) In order to be eligible to receive any loan under section 428A for any period of enrollment, a student shall—

(A) have received a determination of need for a loan under section 428(a)(2)(B) of this title;

(B) if determined to have need for a loan under section 428, have applied for such a loan; and

(C) has applied for a loan under section 428H, if such student is eligible to apply for such a loan.

(3) A student who—

(A) is carrying at least one-half the normal full-time work load for the course of study that the student is pursuing, as determined by an eligible institution, and

(B) is enrolled in a course of study necessary for enrollment in a program leading to a degree or certificate,

shall be, notwithstanding paragraph (1) of subsection (a), eligible to apply for loans under part B or D of this title. The eligibility described in this paragraph shall be restricted to one 12-month period.

(4) A student who—

(A) is carrying at least one-half the normal full-time work load for the course of study the student is pursuing, as determined by the institution, and

(B) is enrolled or accepted for enrollment in a program at an eligible institution necessary for a professional credential or certification from a State that is required for employment as a teacher in an elementary or secondary school in that State,

shall be, notwithstanding paragraph (1) of subsection (a), eligible to apply for loans under part B, D, or E or work-study assistance under part C of this title.

(5) Notwithstanding any other provision of this subsection, no incarcerated student is eligible to receive a loan under this title.

(c) SATISFACTORY PROGRESS.—(1) For the purpose of ⟦subsection (a)(2)⟧ *subsection (a)(1)(B)*, a student is maintaining satisfactory progress if—

(A) the institution at which the student is in attendance, reviews the progress of the student at the end of each academic year, or its equivalent, as determined by the institution, and

(B) the student has a cumulative C average, or its equivalent or academic standing consistent with the requirements for graduation, as determined by the institution, at the end of the second such academic year.

(2) Whenever a student fails to meet the eligibility requirements of ⟦subsection (a)(2)⟧ *subsection (a)(1)(B)* as a result of the application of this subsection and subsequent to that failure the student has academic standing consistent with the requirements for graduation, as determined by the institution, for any grading period, the student may, subject to this subsection, again be eligible under ⟦subsection (a)(2)⟧ *subsection (a)(1)(B)* for a grant, loan, or work assistance under this title.

(3) Any institution of higher education at which the student is in attendance may waive the provisions of paragraph (1) or paragraph (2) of this subsection for undue hardship based on—

(A) the death of a relative of the student,

(B) the personal injury or illness of the student, or

(C) special circumstances as determined by the institution.

(d) STUDENTS WHO ARE NOT HIGH SCHOOL GRADUATES.—

(1) STUDENT ELIGIBILITY.—In order for a student who does not have a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, to be eligible for any assistance under subparts 1, 3, and 4 of part A and parts B, C, D, and E of this title, the student shall meet the requirements of one of the following subparagraphs:

(A) The student is enrolled in an eligible career pathway program and meets one of the following standards:

(i) The student shall take an independently administered examination and shall achieve a score, specified by the Secretary, demonstrating that such student can benefit from the education or training being offered. Such examination shall be approved by the Secretary on the basis of compliance with such standards for development, administration, and scoring as the Secretary may prescribe in regulations.

(ii) The student shall be determined as having the ability to benefit from the education or training in accordance with such process as the State shall prescribe. Any such process described or approved by a State for the purposes of this section shall be effective 6 months after the date of submission to the Secretary unless the Secretary disapproves such process. In determining whether to approve or disapprove such process, the Secretary shall take into account the effectiveness of such process in enabling students without secondary school diplomas or the equivalent thereof to benefit from the instruction offered by institutions utilizing such process, and shall also take into account the cultural diversity, economic circumstances, and educational preparation of the populations served by the institutions.

(iii) The student shall be determined by the institution of higher education as having the ability to benefit from the education or training offered by the institution of higher education upon satisfactory completion of 6 credit hours or the equivalent coursework that are applicable toward a degree or certificate offered by the institution of higher education.

(B) The student—

(i) is enrolled at an institution of higher education (as defined in section 101) in a program described in subsection (a)(3) of such section that—

(I) prepares an individual to be successful in any of a full range of secondary and postsecondary education options;

(II) includes counseling to support an individual in achieving the individual's education and career goals;

(III) enables an individual to attain a secondary school diploma or its recognized equivalent; and

(IV) helps an individual enter or advance within a specific occupation or occupational cluster, or to enter and succeed in a graduate program; and

(ii) is determined by such institution as having the ability to benefit from the education or training offered by the institution of higher education upon satisfactory completion of 6 credit hours or the equivalent coursework that are applicable toward a degree offered by the institution of higher education.

[(B)] *(C)* The student has completed a secondary school education in a home school setting that is treated as a home school or private school under State law.

(2) ELIGIBLE CAREER PATHWAY PROGRAM.—In this subsection, the term "eligible career pathway program" means a program that combines rigorous and high-quality education, training, and other services that—

(A) aligns with the skill needs of industries in the economy of the State or regional economy involved;

(B) prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the "National Apprenticeship Act"; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to individually in this Act as an "apprenticeship", except in section 171);

(C) includes counseling to support an individual in achieving the individual's education and career goals;

(D) includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;

(E) organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;

(F) enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential; and

(G) helps an individual enter or advance within a specific occupation or occupational cluster.

(e) CERTIFICATION FOR GSL ELIGIBILITY.—Each eligible institution may certify student eligibility for a loan by an eligible lender under part B of this title prior to completing the review for accuracy of the information submitted by the applicant required by regulations issued under this title, if—

(1) checks for the loans are mailed to the eligible institution prior to disbursements;

(2) the disbursement is not made until the review is complete; and

(3) the eligible institution has no evidence or documentation on which the institution may base a determination that the information submitted by the applicant is incorrect.

(f) LOSS OF ELIGIBILITY FOR VIOLATION OF LOAN LIMITS.—(1) No student shall be eligible to receive any grant, loan, or work assistance under this title if the eligible institution determines that the student fraudulently borrowed in violation of the annual loan limits under part B, part D, or part E of this title in the same academic year, or if the student fraudulently borrowed in excess of the aggregate maximum loan limits under such part B, part D, or part E.

(2) If the institution determines that the student inadvertently borrowed amounts in excess of such annual or aggregate maximum loan limits, such institution shall allow the student to repay any

amount borrowed in excess of such limits prior to certifying the student's eligibility for further assistance under this title.

(g) VERIFICATION OF IMMIGRATION STATUS.—

(1) IN GENERAL.—The Secretary shall implement a system under which the statements and supporting documentation, if required, of an individual declaring that such individual is in compliance with the requirements of [subsection (a)(5)] *subsection (a)(2)* shall be verified prior to the individual's receipt of a grant, loan, or work assistance under this title.

(2) SPECIAL RULE.—The documents collected and maintained by an eligible institution in the admission of a student to the institution may be used by the student in lieu of the documents used to establish both employment authorization and identity under section 274A(b)(1)(B) of the Immigration and Nationality Act (8 U.S.C. 1324a) to verify eligibility to participate in work-study programs under part C of this title.

(3) VERIFICATION MECHANISMS.—The Secretary is authorized to verify such statements and supporting documentation through a data match, using an automated or other system, with other Federal agencies that may be in possession of information relevant to such statements and supporting documentation.

(4) REVIEW.—In the case of such an individual who is not a citizen or national of the United States, if the statement described in paragraph (1) is submitted but the documentation required under paragraph (2) is not presented or if the documentation required under paragraph (2)(A) is presented but such documentation is not verified under paragraph (3)—

(A) the institution—

(i) shall provide a reasonable opportunity to submit to the institution evidence indicating a satisfactory immigration status, and

(ii) may not delay, deny, reduce, or terminate the individual's eligibility for the grant, loan, or work assistance on the basis of the individual's immigration status until such a reasonable opportunity has been provided; and

(B) if there are submitted documents which the institution determines constitute reasonable evidence indicating such status—

(i) the institution shall transmit to the [Immigration and Naturalization Service] *Department of Homeland Security* either photostatic or other similar copies of such documents, or information from such documents, as specified by the [Immigration and Naturalization Service] *Department of Homeland Security*, for official verification,

(ii) pending such verification, the institution may not delay, deny, reduce, or terminate the individual's eligibility for the grant, loan, or work assistance on the basis of the individual's immigration status, and

(iii) the institution shall not be liable for the consequences of any action, delay, or failure of the Service to conduct such verification.

(h) LIMITATIONS OF ENFORCEMENT ACTIONS AGAINST INSTITUTIONS.—The Secretary shall not take any compliance, disallowance, penalty, or other regulatory action against an institution of higher education with respect to any error in the institution's determination to make a student eligible for a grant, loan, or work assistance based on citizenship or immigration status—

(1) if the institution has provided such eligibility based on a verification of satisfactory immigration status by the [Immigration and Naturalization Service] *Department of Homeland Security*,

(2) because the institution, under subsection (g)(4)(A)(i), was required to provide a reasonable opportunity to submit documentation, or

(3) because the institution, under subsection (g)(4)(B)(i), was required to wait for the response of the [Immigration and Naturalization Service] *Department of Homeland Security* to the institution's request for official verification of the immigration status of the student.

(i) VALIDITY OF LOAN GUARANTEES FOR LOAN PAYMENTS MADE BEFORE IMMIGRATION STATUS VERIFICATION COMPLETED.—Notwithstanding subsection (h), if—

(1) a guaranty is made under this title for a loan made with respect to an individual,

(2) at the time the guaranty is entered into, the provisions of subsection (h) had been complied with,

(3) amounts are paid under the loan subject to such guaranty, and

(4) there is a subsequent determination that, because of an unsatisfactory immigration status, the individual is not eligible for the loan,

the official of the institution making the determination shall notify and instruct the entity making the loan to cease further payments under the loan, but such guaranty shall not be voided or otherwise nullified with respect to such payments made before the date the entity receives the notice.

(k) SPECIAL RULE FOR CORRESPONDENCE COURSES.—A student shall not be eligible to receive grant, loan, or work assistance under this title for a correspondence course unless such course is part of a program leading to an associate, bachelor or graduate degree.

(l) COURSES OFFERED THROUGH DISTANCE EDUCATION.—

(1) RELATION TO CORRESPONDENCE COURSES.—

(A) IN GENERAL.—A student enrolled in a course of instruction at an institution of higher education that is offered principally through distance education and leads to a recognized certificate, or recognized associate, recognized baccalaureate, or recognized graduate degree, conferred by such institution, shall not be considered to be enrolled in correspondence courses.

(B) EXCEPTION.—An institution of higher education referred to in subparagraph (A) shall not include an institution or school described in section 3(3)(C) of the Carl D. Perkins Career and Technical Education Act of 2006.

(2) REDUCTIONS OF FINANCIAL AID.—A student's eligibility to receive grants, loans, or work assistance under this title shall be reduced if a financial aid officer determines under the dis-

cretionary authority provided in section 479A that distance education results in a substantially reduced cost of attendance to such student.

(3) SPECIAL RULE.—For award years beginning prior to July 1, 2008, the Secretary shall not take any compliance, disallowance, penalty, or other action based on a violation of this subsection against a student or an eligible institution when such action arises out of such institution's prior award of student assistance under this title if the institution demonstrates to the satisfaction of the Secretary that its course of instruction would have been in conformance with the requirements of this subsection.

(m) STUDENTS WITH A FIRST BACCALAUREATE OR PROFESSIONAL DEGREE.—A student shall not be ineligible for assistance under parts B, C, D, and E of this title because such student has previously received a baccalaureate or professional degree.

[(n) DATA BASE MATCHING.—To enforce the Selective Service registration provisions of section 12(f) of the Military Selective Service Act (50 U.S.C. App. 462(f)), the Secretary shall conduct data base matches with the Selective Service, using common demographic data elements. Appropriate confirmation, through an application output document or through other means, of any person's registration shall fulfill the requirement to file a separate statement of compliance. In the absence of a confirmation from such data matches, an institution may also use data or documents that support either the student's registration, or the absence of a registration requirement for the student, to fulfill the requirement to file a separate statement of compliance. The mechanism for reporting the resolution of nonconfirmed matches shall be prescribed by the Secretary in regulations.**]**

[(o)**]** *(n)* STUDY ABROAD.—Nothing in this Act shall be construed to limit or otherwise prohibit access to study abroad programs approved by the home institution at which a student is enrolled. An otherwise eligible student who is engaged in a program of study abroad approved for academic credit by the home institution at which the student is enrolled shall be eligible to receive grant, loan, or work assistance under this title, without regard to whether such study abroad program is required as part of the student's degree program.

[(p)**]** *(o)* VERIFICATION OF SOCIAL SECURITY NUMBER.—The Secretary of Education, in cooperation with the Commissioner of the Social Security Administration, shall verify any social security number provided by a student to an eligible institution under **[**subsection (a)(4)**]** *subsection (a)(1)(D)* and shall enforce the following conditions:

(1) Except as provided in paragraphs (2) and (3), an institution shall not deny, reduce, delay, or terminate a student's eligibility for assistance under this part because social security number verification is pending.

(2) If there is a determination by the Secretary that the social security number provided to an eligible institution by a student is incorrect, the institution shall deny or terminate the student's eligibility for any grant, loan, or work assistance under this title until such time as the student provides docu-

mented evidence of a social security number that is determined by the institution to be correct.

(3) If there is a determination by the Secretary that the social security number provided to an eligible institution by a student is incorrect, and a correct social security number cannot be provided by such student, and a loan has been guaranteed for such student under part B of this title, the institution shall notify and instruct the lender and guaranty agency making and guaranteeing the loan, respectively, to cease further disbursements of the loan, but such guaranty shall not be voided or otherwise nullified with respect to such disbursements made before the date that the lender and the guaranty agency receives such notice.

(4) Nothing in this subsection shall permit the Secretary to take any compliance, disallowance, penalty, or other regulatory action against—

(A) any institution of higher education with respect to any error in a social security number, unless such error was a result of fraud on the part of the institution; or

(B) any student with respect to any error in a social security number, unless such error was a result of fraud on the part of the student.

[(q)] *(p)* USE OF INCOME DATA.—

(1) MATCHING WITH IRS.—The Secretary, in cooperation with the Secretary of the Treasury, is authorized to obtain from the Internal Revenue Service such information reported on Federal income tax returns by applicants, or by any other person whose financial information is required to be provided on the Federal student financial aid application, as the Secretary determines is necessary for the purpose of—

(A) prepopulating the Federal student financial aid application described in section 483; or

(B) verifying the information reported on such student financial aid applications.

(2) CONSENT.—The Secretary may require that applicants for financial assistance under this title provide a consent to the disclosure of the data described in paragraph (1) as a condition of the student receiving assistance under this title. The parents of an applicant, in the case of a dependent student, or the spouse of an applicant, in the case of an applicant who is married but files separately, may also be required to provide consent as a condition of the student receiving assistance under this title.

(q) DREAMER STUDENT.—

(1) IN GENERAL.—In this section, the term "Dreamer student" means an alien (as defined in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3))) who is inadmissible to the United States or deportable from the United States under the immigration laws (as defined in section 101(a)(17) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(17))) and who—

(A)(i) was younger than 16 years of age on the date on which the alien initially entered the United States; and

(ii)(I) has earned a high school diploma, the recognized equivalent of such diploma from a secondary school, or a

high school equivalency diploma in the United States, or is scheduled to complete the requirements for such a diploma or equivalent before the next academic year begins;

(II) is enrolled in an institution of higher education pursuant to subsection (d); or

(III) has served in the uniformed services, as defined in section 101 of title 10, United States Code, for not less than 4 years and, if discharged, received an honorable discharge; or

(B) would have been eligible, if the memorandum were fully in effect since the date issued, for a grant of deferred action pursuant to the directive in the November 20, 2014, memorandum from the Secretary of Homeland Security entitled "Exercising Prosecutorial Discretion with Respect to Individuals Who Came to the United States as Children and with Respect to Certain Individuals Who Are the Parents of U.S. Citizens or Permanent Residents" to establish a process for exercising prosecutorial discretion through the use of deferred action for individuals who, among other qualifications, had a son or daughter who was a United States citizen or lawful permanent resident on such date.

(2) HARDSHIP EXCEPTION.—The Secretary shall issue regulations that direct when the Department shall waive the age requirement of paragraph (1)(A)(i) for an individual to qualify as a Dreamer student under paragraph (1), if the individual demonstrates, through documentation presented to the Secretary of substantial economic or personal hardship, that deprivation of the requested benefit under this title would represent a substantial hardship.

[(r) SUSPENSION OF ELIGIBILITY FOR DRUG-RELATED OFFENSES.—

[(1) IN GENERAL.—A student who is convicted of any offense under any Federal or State law involving the possession or sale of a controlled substance for conduct that occurred during a period of enrollment for which the student was receiving any grant, loan, or work assistance under this title shall not be eligible to receive any grant, loan, or work assistance under this title from the date of that conviction for the period of time specified in the following table:

[If convicted of an offense involving:	
The possession of a controlled substance:	**Ineligibility period is:**
First offense	1 year
Second offense	2 years
Third offense	Indefinite.
The sale of a controlled substance:	**Ineligibility period is:**
First offense	2 years
Second offense	Indefinite.

[(2) REHABILITATION.—A student whose eligibility has been suspended under paragraph (1) may resume eligibility before the end of the ineligibility period determined under such paragraph if—

[(A) the student satisfactorily completes a drug rehabilitation program that—

[(i) complies with such criteria as the Secretary shall prescribe in regulations for purposes of this paragraph; and

[(ii) includes two unannounced drug tests;

[(B) the student successfully passes two unannounced drug tests conducted by a drug rehabilitation program that complies with such criteria as the Secretary shall prescribe in regulations for purposes of subparagraph (A)(i); or

[(C) the conviction is reversed, set aside, or otherwise rendered nugatory.

[(3) DEFINITIONS.—In this subsection, the term "controlled substance" has the meaning given the term in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).]

(s) STUDENTS WITH INTELLECTUAL DISABILITIES.—

(1) DEFINITIONS.—In this subsection the terms "comprehensive transition and postsecondary program for students with intellectual disabilities" and "student with an intellectual disability" have the meanings given the terms in section 760.

(2) REQUIREMENTS.—Notwithstanding subsections (a), (c), and (d), in order to receive any grant or work assistance under section 401, subpart 3 of part A, or part C, a student with an intellectual disability shall—

(A) be enrolled or accepted for enrollment in a comprehensive transition and postsecondary program for students with intellectual disabilities at an institution of higher education;

(B) be maintaining satisfactory progress in the program as determined by the institution, in accordance with standards established by the institution; and

(C) meet the requirements of paragraphs (3), (4), (5), and (6) of subsection (a).

(3) AUTHORITY.—Notwithstanding any other provision of law unless such provision is enacted with specific reference to this section, the Secretary is authorized to waive any statutory provision applicable to the student financial assistance programs under section 401, subpart 3 of part A, or part C (other than a provision of part F related to such a program), or any institutional eligibility provisions of this title, as the Secretary determines necessary to ensure that programs enrolling students with intellectual disabilities otherwise determined to be eligible under this subsection may receive such financial assistance.

(4) REGULATIONS.—Notwithstanding regulations applicable to grant or work assistance awards made under section 401, subpart 3 of part A, and part C (other than a regulation under part F related to such an award), including with respect to eligible programs, instructional time, credit status, and enrollment status as described in section 481, the Secretary shall promulgate regulations allowing programs enrolling students with intellectual disabilities otherwise determined to be eligible under this subsection to receive such awards.

(t) DATA ANALYSIS ON ACCESS TO FEDERAL STUDENT AID FOR CERTAIN POPULATIONS.—

(1) DEVELOPMENT OF THE SYSTEM.—Within one year of enactment of the Higher Education Opportunity Act, the Secretary

shall analyze data from the FAFSA containing information regarding the number, characteristics, and circumstances of students denied Federal student aid based on a drug conviction while receiving Federal aid.

(2) RESULTS FROM ANALYSIS.—The results from the analysis of such information shall be made available on a continuous basis via the Department website and the Digest of Education Statistics.

(3) DATA UPDATING.—The data analyzed under this subsection shall be updated at the beginning of each award year and at least one additional time during such award year.

(4) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the authorizing committees, in each fiscal year, a report describing the results obtained by the establishment and operation of the data system authorized by this subsection.

SEC. 484A. STATUTE OF LIMITATIONS, AND STATE COURT JUDGMENTS.

(a) IN GENERAL.—(1) It is the purpose of this subsection to ensure that obligations to repay loans and grant overpayments are enforced without regard to any Federal or State statutory, regulatory, or administrative limitation on the period within which debts may be enforced.

(2) Notwithstanding any other provision of statute, regulation, or administrative limitation, no limitation shall terminate the period within which suit may be filed, a judgment may be enforced, or an offset, garnishment, or other action initiated or taken by—

(A) an institution that receives funds under this title that is seeking to collect a refund due from a student on a grant made, or work assistance awarded, under this title;

(B) a guaranty agency that has an agreement with the Secretary under section 428(c) that is seeking the repayment of the amount due from a borrower on a loan made under part B of this title after such guaranty agency reimburses the previous holder of the loan for its loss on account of the default of the borrower;

(C) an institution that has an agreement with the Secretary pursuant to section 453 or 463(a) that is seeking the repayment of the amount due from a borrower on a loan made under part D or E of this title after the default of the borrower on such loan; or

(D) the Secretary, the Attorney General, or the administrative head of another Federal agency, as the case may be, for payment of a refund due from a student on a grant made under this title, or for the repayment of the amount due from a borrower on a loan made under this title that has been assigned to the Secretary under this title.

(b) ASSESSMENT OF COSTS AND OTHER CHARGES.—Notwithstanding any provision of State law to the contrary—

(1) a borrower who has defaulted on a loan made under this title shall be required to pay, in addition to other charges specified in this title, reasonable [collection costs;] *collection costs that—*

(A) for purposes of the first collection efforts, do not exceed 5 percent of the outstanding principal and interest on such loan;

(B) for purposes of the second collection efforts, do not exceed 10 percent of the outstanding balance of principal and interest on such loan;

(C) for purposes of the third collection efforts, do not exceed 15 percent of the outstanding balance of principal and interest on such loan; and

(D) for purposes of the fourth collection efforts and any succeeding collection efforts, do not exceed 20 percent of the outstanding balance of principal and interest on such loan;

(2) in collecting any obligation arising from a loan made under part B of this title, a guaranty agency or the Secretary shall not be subject to a defense raised by any borrower based on a claim of infancy; and

(3) in collecting any obligation arising from a loan made under part E, an institution of higher education that has an agreement with the Secretary pursuant to section 463(a) shall not be subject to a defense raised by any borrower based on a claim of infancy.

(c) STATE COURT JUDGMENTS.—A judgment of a State court for the recovery of money provided as grant, loan, or work assistance under this title that has been assigned or transferred to the Secretary under this title may be registered in any district court of the United States by filing a certified copy of the judgment and a copy of the assignment or transfer. A judgment so registered shall have the same force and effect, and may be enforced in the same manner, as a judgment of the district court of the district in which the judgment is registered.

(d) SPECIAL RULE.—This section shall not apply in the case of a student who is deceased, or to a deceased student's estate or the estate of such student's family. If a student is deceased, then the student's estate or the estate of the student's family shall not be required to repay any financial assistance under this title, including interest paid on the student's behalf, collection costs, or other charges specified in this title.

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SEC. 485. INSTITUTIONAL AND FINANCIAL ASSISTANCE INFORMATION FOR STUDENTS.

(a) INFORMATION DISSEMINATION ACTIVITIES.—(1) Each eligible institution participating in any program under this title shall carry out information dissemination activities for prospective and enrolled students (including those attending or planning to attend less than full time) regarding the institution and all financial assistance under this title. The information required by this section shall be produced and be made readily available upon request, through appropriate publications, mailings, and electronic media, to an enrolled student and to any prospective student. Each eligible institution shall, on an annual basis, provide to all enrolled students a list of the information that is required to be provided by institutions to students by this section and section 444 of the General Education Provisions Act (commonly known as the "Family Educational Rights and Privacy Act of 1974"), together with a statement of the procedures required to obtain such information. The information required by this section shall accurately describe—

(A) the student financial assistance programs available to students who enroll at such institution;

(B) the methods by which such assistance is distributed among student recipients who enroll at such institution;

(C) any means, including forms, by which application for student financial assistance is made and requirements for accurately preparing such application;

(D) the rights and responsibilities of students receiving financial assistance under this title;

(E) the cost of attending the institution, including (i) tuition and fees, (ii) books and supplies, (iii) estimates of typical student room and board costs or typical commuting costs, and (iv) any additional cost of the program in which the student is enrolled or expresses a specific interest;

(F) a statement of—

(i) the requirements of any refund policy with which the institution is required to comply;

(ii) the requirements under section 484B for the return of grant or loan assistance provided under this title; and

(iii) the requirements for officially withdrawing from the institution;

(G) the academic program of the institution, including (i) the current degree programs and other educational and training programs, (ii) the instructional, laboratory, and other physical plant facilities which relate to the academic program, (iii) the faculty and other instructional personnel, and (iv) any plans by the institution for improving the academic program of the institution;

(H) each person designated under subsection (c) of this section, and the methods by which and locations in which any person so designated may be contacted by students and prospective students who are seeking information required by this subsection;

(I) special facilities and services available to students with disabilities;

(J) the names of associations, agencies, or governmental bodies which accredit, approve, or license the institution and its programs, and the procedures under which any current or prospective student may obtain or review upon request a copy of the documents describing the institution's accreditation, approval, or licensing;

(K) the standards which the student must maintain in order to be considered to be making satisfactory progress, pursuant to section ⟦484(a)(2)⟧ *484(a)(1)(B)*;

(L) the completion or graduation rate of certificate- or degree-seeking, full-time, undergraduate students entering such institutions;

(M) the terms and conditions of the loans that students receive under parts B, D, and E;

(N) that enrollment in a program of study abroad approved for credit by the home institution may be considered enrollment in the home institution for purposes of applying for Federal student financial assistance;

(O) the campus crime report prepared by the institution pursuant to subsection (f), including all required reporting categories;

(P) institutional policies and sanctions related to copyright infringement, including—

(i) an annual disclosure that explicitly informs students that unauthorized distribution of copyrighted material, including unauthorized peer-to-peer file sharing, may subject the students to civil and criminal liabilities;

(ii) a summary of the penalties for violation of Federal copyright laws; and

(iii) a description of the institution's policies with respect to unauthorized peer-to-peer file sharing, including disciplinary actions that are taken against students who engage in unauthorized distribution of copyrighted materials using the institution's information technology system;

(Q) student body diversity at the institution, including information on the percentage of enrolled, full-time students who—

(i) are male;

(ii) are female;

(iii) receive a Federal Pell Grant; and

(iv) are a self-identified member of a major racial or ethnic group;

(R) the placement in employment of, and types of employment obtained by, graduates of the institution's degree or certificate programs, gathered from such sources as alumni surveys, student satisfaction surveys, the National Survey of Student Engagement, the Community College Survey of Student Engagement, State data systems, or other relevant sources;

(S) the types of graduate and professional education in which graduates of the institution's four-year degree programs enrolled, gathered from such sources as alumni surveys, student satisfaction surveys, the National Survey of Student Engagement, State data systems, or other relevant sources;

(T) the fire safety report prepared by the institution pursuant to subsection (i);

(U) the retention rate of certificate- or degree-seeking, first-time, full-time, undergraduate students entering such institution; **[**and**]**

(V) institutional policies regarding vaccinations**[**.**]***;*

(W) the most recent relevant student eligibility guidance with respect to the nutrition assistance programs established under—

(i) the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); and

(ii) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

(X) the contact information for the State agencies responsible for administration of the programs specified in clauses (i) and (ii) of subparagraph (W); and

(Y) the food pantries and other food assistance facilities and services available to students enrolled in such institution.

(2) For the purpose of this section, the term "prospective student" means any individual who has contacted an eligible institution requesting information concerning admission to that institution.

(3) In calculating the completion or graduation rate under subparagraph (L) of paragraph (1) of this subsection or under subsection (e), a student shall be counted as a completion or graduation if, within 150 percent of the normal time for completion of or graduation from the program, the student has completed or graduated from the program, or enrolled in any program of an eligible institution for which the prior program provides substantial preparation. The information required to be disclosed under such subparagraph—

(A) shall be made available by July 1 each year to enrolled students and prospective students prior to the students enrolling or entering into any financial obligation; and

(B) shall cover the one-year period ending on August 31 of the preceding year.

(4) For purposes of this section, institutions may—

(A) exclude from the information disclosed in accordance with subparagraph (L) of paragraph (1) the completion or graduation rates of students who leave school to serve in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government; or

(B) in cases where the students described in subparagraph (A) represent 20 percent or more of the certificate- or degree-seeking, full-time, undergraduate students at the institution, recalculate the completion or graduation rates of such students by excluding from the calculation described in paragraph (3) the time period during which such students were not enrolled due to their service in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government.

(5) The Secretary shall permit any institution of higher education that is a member of an athletic association or athletic conference that has voluntarily published completion or graduation rate data or has agreed to publish data that, in the opinion of the Secretary, is substantially comparable to the information required under this subsection, to use such data to satisfy the requirements of this subsection; and

(6) Each institution may provide supplemental information to enrolled and prospective students showing the completion or graduation rate for students described in paragraph (4) or for students transferring into the institution or information showing the rate at which students transfer out of the institution.

(7)(A)(i) Subject to clause (ii), the information disseminated under paragraph (1)(L), or reported under subsection (e), shall be disaggregated by gender, by each major racial and ethnic subgroup, by recipients of a Federal Pell Grant, by recipients

of a loan made under part B or D (other than a loan made under section 428H or a Federal Direct Unsubsidized Stafford Loan) who did not receive a Federal Pell Grant, and by recipients of neither a Federal Pell Grant nor a loan made under part B or D (other than a loan made under section 428H or a Federal Direct Unsubsidized Stafford Loan), if the number of students in such subgroup or with such status is sufficient to yield statistically reliable information and reporting will not reveal personally identifiable information about an individual student. If such number is not sufficient for such purposes, then the institution shall note that the institution enrolled too few of such students to so disclose or report with confidence and confidentiality.

(ii) The requirements of clause (i) shall not apply to two-year, degree-granting institutions of higher education until academic year 2011-2012.

(B)(i) In order to assist two-year degree-granting institutions of higher education in meeting the requirements of paragraph (1)(L) and subsection (e), the Secretary, in consultation with the Commissioner for Education Statistics, shall, not later than 90 days after the date of enactment of the Higher Education Opportunity Act, convene a group of representatives from diverse institutions of higher education, experts in the field of higher education policy, state higher education officials, students, and other stakeholders in the higher education community, to develop recommendations regarding the accurate calculation and reporting of the information required to be disseminated or reported under paragraph (1)(L) and subsection (e) by two-year, degree-granting institutions of higher education. In developing such recommendations, the group of representatives shall consider the mission and role of two-year degree-granting institutions of higher education, and may recommend additional or alternative measures of student success for such institutions in light of the mission and role of such institutions.

(ii) The Secretary shall widely disseminate the recommendations required under this subparagraph to two-year, degree-granting institutions of higher education, the public, and the authorizing committees not later than 18 months after the first meeting of the group of representatives convened under clause (i).

(iii) The Secretary shall use the recommendations from the group of representatives convened under clause (i) to provide technical assistance to two-year, degree-granting institutions of higher education in meeting the requirements of paragraph (1)(L) and subsection (e).

(iv) The Secretary may modify the information required to be disseminated or reported under paragraph (1)(L) or subsection (e) by a two-year, degree-granting institution of higher education—

(I) based on the recommendations received under this subparagraph from the group of representatives convened under clause (i);

(II) to include additional or alternative measures of student success if the goals of the provisions of paragraph

(1)(L) and subsection (e) can be met through additional means or comparable alternatives; and

(III) during the period beginning on the date of enactment of the Higher Education Opportunity Act, and ending on June 30, 2011.

(b) EXIT COUNSELING FOR BORROWERS.—(1)(A) Each eligible institution shall, [through financial aid offices or otherwise] *through the use of an interactive program, during an exit counseling session that is in-person or online, or through the use of the online counseling tool described in subsection (n)(1)(A)*, provide counseling to borrowers of loans that are made, insured, or guaranteed under part B (other than loans made pursuant to section 428C or loans under section 428B made on behalf of a student) or made under part D (other than Federal Direct Consolidation Loans or Federal Direct PLUS Loans made on behalf of a student) or made under part E of this title prior to the completion of the course of study for which the borrower enrolled at the institution or at the time of departure from such institution. The counseling required by this subsection shall include—

(i) a summary of the outstanding balance of principal and interest due on the loans made to the borrower under part B, D, or E;

(ii) an explanation of the grace period preceding repayment and the expected date that the borrower will enter repayment;

(iii) an explanation that the borrower has the option to pay any interest that has accrued while the borrower was in school or that may accrue during the grace period preceding repayment or during an authorized period of deferment, prior to the capitalization of the interest;

[(i)] *(iv)* information on the repayment plans available, including a description of the different features [of each plan] *of at least the fixed repayment plan described in section 493E, the income-based repayment plan under section 493C(f), and any other repayment plan for which each loan may be eligible* and [sample information showing the average] *information, based on the borrower's outstanding balance described in clause (i), showing the borrower's* anticipated monthly payments, and the difference in interest paid and total payments, under each plan;

[(ii)] *(v)* debt management strategies that are designed to facilitate the repayment of such indebtedness;

[(iii)] *(vi)* an explanation that the borrower has the options to prepay each loan, pay each loan on a shorter schedule, and change repayment plans;

[(iv)] *(vii)* for any loan forgiveness or cancellation provision of this title, a general description of the terms and conditions under which the borrower may obtain full or partial forgiveness or cancellation of the principal and interest, and a copy of the information provided by the Secretary under section 485(d);

[(v)] *(viii)* for any forbearance provision of this title, a general description of the terms and conditions under which the borrower may defer repayment of principal or interest or be granted forbearance, and a copy of the information provided by the Secretary under section 485(d);

[(vi)] *(ix)* the consequences of defaulting on a loan, including adverse credit reports, *decreased credit score,* delinquent debt collection procedures under Federal law, *reduced ability to rent or purchase a home or car, potential difficulty in securing employment,* and litigation;

[(vii)] *(x)* information on the effects of using a [consolidation loan under section 428C or a] Federal Direct Consolidation Loan to discharge the borrower's loans under parts B, D, and E, including at a minimum—

(I) the effects of consolidation on total interest to be paid, fees to be paid, and length of repayment;

(II) the effects of consolidation on a borrower's underlying loan benefits, including grace periods, loan forgiveness, cancellation, and deferment opportunities;

(III) the option of the borrower to prepay the loan or to change repayment plans; and

(IV) that borrower benefit programs may vary among different lenders;

[(viii)] *(xi)* a general description of the types of tax benefits that may be available to borrowers; [and]

[(ix)] *(xii)* a notice to borrowers about the availability of the National Student Loan Data System and how the system can be used by a borrower to obtain information on the status of the borrower's loans; [and]

(xiii) for each of the borrower's loans made under part B, D, or E for which the borrower is receiving counseling under this subsection, the contact information for the loan servicer of the loan and a link to such servicer's website;

(xiv) an explanation that an individual has a right to annually request a disclosure of information collected by a consumer reporting agency pursuant to section 612(a) of the Fair Credit Reporting Act (15 U.S.C. 1681j(a)); and

(xv) an explanation that—

(I) the borrower may be contacted during the repayment period by third-party student debt relief companies;

(II) the borrower should use caution when dealing with those companies; and

(III) the services that those companies typically provide are already offered to borrowers free of charge through the Department or the borrower's servicer.

(B) In the case of borrower who leaves an institution without the prior knowledge of the institution, the institution shall attempt to provide the information described in subparagraph (A) to the student *online or* in writing*, except that in the case of an institution using the online counseling tool described in subsection (n)(1)(A), the Secretary shall attempt to provide such information to the student in the manner described in subsection (n)(3)(C)*.

(2)(A) Each eligible institution shall require that the borrower of a loan made under part B, D, or E submit to the institution, during the exit interview required by this subsection—

(i) the borrower's expected permanent address after leaving the institution (regardless of the reason for leaving);

(ii) the name and address of the borrower's expected employer after leaving the institution;

(iii) the address of the borrower's next of kin; and

(iv) any corrections in the institution's records relating the borrower's name, address, social security number, references, and driver's license number.

(B) The institution shall, within 60 days after the interview, forward any corrected or completed information received from the borrower to the guaranty agency indicated on the borrower's student aid records.

(C) Nothing in this subsection shall be construed to prohibit an institution of higher education from utilizing electronic means, *such as the online counseling tool described in subsection (n)(1)(A),* to provide personalized exit counseling.

(c) FINANCIAL ASSISTANCE INFORMATION PERSONNEL.—Each eligible institution shall designate an employee or group of employees who shall be available on a full-time basis to assist students or potential students in obtaining information as specified in subsection (a). The Secretary may, by regulation, waive the requirement that an employee or employees be available on a full-time basis for carrying out responsibilities required under this section whenever an institution in which the total enrollment, or the portion of the enrollment participating in programs under this title at that institution, is too small to necessitate such employee or employees being available on a full-time basis. No such waiver may include permission to exempt any such institution from designating a specific individual or a group of individuals to carry out the provisions of this section.

(d) DEPARTMENTAL PUBLICATION OF DESCRIPTIONS OF ASSISTANCE PROGRAMS.—(1) The Secretary shall make available to eligible institutions, eligible lenders, and secondary schools descriptions of Federal student assistance programs including the rights and responsibilities of student and institutional participants, in order to (A) assist students in gaining information through institutional sources, and (B) assist institutions in carrying out the provisions of this section, so that individual and institutional participants will be fully aware of their rights and responsibilities under such programs. In particular, such information shall include information to enable students and prospective students to assess the debt burden and monthly and total repayment obligations that will be incurred as a result of receiving loans of varying amounts under this title. Such information shall also include information on the various payment options available for student loans, [including income-sensitive and income-based repayment plans for loans made, insured, or guaranteed under part B and income-contingent and income-based repayment plans for loans made under part D] *including, beginning on July 1, 2021, the income-based repayment plan under section 493C(f) and the fixed repayment plan described in section 493E*. In addition, such information shall include information to enable borrowers to assess the practical consequences of loan consolidation, including differences in deferment eligibility, interest rates, monthly payments, and finance charges, and samples of loan consolidation profiles to illustrate such consequences. The Secretary shall provide information concerning the specific terms and conditions under which students may obtain partial or total cancellation or defer repayment of loans for service, shall indicate (in terms of the Federal minimum wage) the maximum level of compensation and allowances that a student borrower may receive from a tax-ex-

empt organization to qualify for a deferment, and shall explicitly state that students may qualify for such partial cancellations or deferments when they serve as a paid employee of a tax-exempt organization. The Secretary shall also provide information on loan forbearance, including the increase in debt that results from capitalization of interest. Such information shall be provided by eligible institutions and eligible lenders at any time that information regarding loan availability is provided to any student.

(2) The Secretary, to the extent the information is available, shall compile information describing State and other prepaid tuition programs and savings programs and disseminate such information to States, eligible institutions, students, and parents in departmental publications.

(3) The Secretary, to the extent practicable, shall update the Department's Internet site to include direct links to databases that contain information on public and private financial assistance programs. The Secretary shall only provide direct links to databases that can be accessed without charge and shall make reasonable efforts to verify that the databases included in a direct link are not providing fraudulent information. The Secretary shall prominently display adjacent to any such direct link a disclaimer indicating that a direct link to a database does not constitute an endorsement or recommendation of the database, the provider of the database, or any services or products of such provider. The Secretary shall provide additional direct links to information resources from which students may obtain information about fraudulent and deceptive practices in the provision of services related to student financial aid.

(4) The Secretary shall widely publicize the location of the information described in paragraph (1) among the public, eligible institutions, and eligible lenders, and promote the use of such information by prospective students, enrolled students, families of prospective and enrolled students, and borrowers.

(e) DISCLOSURES REQUIRED WITH RESPECT TO ATHLETICALLY RELATED STUDENT AID.—(1) Each institution of higher education which participates in any program under this title and is attended by students receiving athletically related student aid shall annually submit a report to the Secretary which contains—

(A) the number of students at the institution of higher education who received athletically related student aid broken down by race and sex in the following sports: basketball, football, baseball, cross country/track, and all other sports combined;

(B) the number of students at the institution of higher education, broken down by race and sex;

(C) the completion or graduation rate for students at the institution of higher education who received athletically related student aid broken down by race and sex in the following sports: basketball, football, baseball, cross country/track and all other sports combined;

(D) the completion or graduation rate for students at the institution of higher education, broken down by race and sex;

(E) the average completion or graduation rate for the 4 most recent completing or graduating classes of students at the institution of higher education who received athletically related

student aid broken down by race and sex in the following categories: basketball, football, baseball, cross country/track, and all other sports combined; and

(F) the average completion or graduation rate for the 4 most recent completing or graduating classes of students at the institution of higher education broken down by race and sex.

(2) When an institution described in paragraph (1) of this subsection offers a potential student athlete athletically related student aid, such institution shall provide to the student and the student's parents, guidance counselor, and coach the information contained in the report submitted by such institution pursuant to paragraph (1). If the institution is a member of a national collegiate athletic association that compiles graduation rate data on behalf of the association's member institutions that the Secretary determines is substantially comparable to the information described in paragraph (1), the distribution of the compilation of such data to all secondary schools in the United States shall fulfill the responsibility of the institution to provide information to a prospective student athlete's guidance counselor and coach.

(3) For purposes of this subsection, institutions may—

(A) exclude from the reporting requirements under paragraphs (1) and (2) the completion or graduation rates of students and student athletes who leave school to serve in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government; or

(B) in cases where the students described in subparagraph (A) represent 20 percent or more of the certificate- or degree-seeking, full-time, undergraduate students at the institution, calculate the completion or graduation rates of such students by excluding from the calculations described in paragraph (1) the time period during which such students were not enrolled due to their service in the Armed Forces, on official church missions, or with a recognized foreign aid service of the Federal Government.

(4) Each institution of higher education described in paragraph (1) may provide supplemental information to students and the Secretary showing the completion or graduation rate when such completion or graduation rate includes students transferring into and out of such institution.

(5) The Secretary, using the reports submitted under this subsection, shall compile and publish a report containing the information required under paragraph (1) broken down by—

(A) individual institutions of higher education; and

(B) athletic conferences recognized by the National Collegiate Athletic Association and the National Association of Intercollegiate Athletics.

(6) The Secretary shall waive the requirements of this subsection for any institution of higher education that is a member of an athletic association or athletic conference that has voluntarily published completion or graduation rate data or has agreed to publish data that, in the opinion of the Secretary, is substantially comparable to the information required under this subsection.

(7) The Secretary, in conjunction with the National Junior College Athletic Association, shall develop and obtain data on comple-

tion or graduation rates from two-year colleges that award athletically related student aid. Such data shall, to the extent practicable, be consistent with the reporting requirements set forth in this section.

(8) For purposes of this subsection, the term "athletically related student aid" means any scholarship, grant, or other form of financial assistance the terms of which require the recipient to participate in a program of intercollegiate athletics at an institution of higher education in order to be eligible to receive such assistance.

(9) The reports required by this subsection shall be due each July 1 and shall cover the 1-year period ending August 31 of the preceding year.

(f) DISCLOSURE OF CAMPUS SECURITY POLICY AND CAMPUS CRIME STATISTICS.—(1) Each eligible institution participating in any program under this title, other than a foreign institution of higher education, shall on August 1, 1991, begin to collect the following information with respect to campus crime statistics and campus security policies of that institution, and beginning September 1, 1992, and each year thereafter, prepare, publish *(including on a prominent location on the institution's website)*, and distribute, through appropriate publications or mailings, to all current students and employees, and to any applicant for enrollment or employment upon request, an annual security report containing at least the following information with respect to the campus security policies and campus crime statistics of that institution:

(A) A statement of current campus policies regarding procedures and facilities for students and others to report criminal actions or other emergencies occurring on campus and policies concerning the institution's response to such reports.

(B) A statement of current policies concerning security and access to campus facilities, including campus residences, and security considerations used in the maintenance of campus facilities.

(C) A statement of current policies concerning campus law enforcement, including—

(i) the law enforcement authority of campus security personnel;

(ii) the working relationship of campus security personnel with State and local law enforcement agencies, including whether the institution has agreements with such agencies, such as written memoranda of understanding, for the investigation of alleged criminal offenses; and

(iii) policies which encourage accurate and prompt reporting of all crimes to the campus police and the appropriate law enforcement agencies, when the victim of such crime elects or is unable to make such a report.

(D) A description of the type and frequency of programs designed to inform students and employees about campus security procedures and practices and to encourage students and employees to be responsible for their own security and the security of others.

(E) A description of programs designed to inform students and employees about the prevention of [crimes.] *crimes, including a statement of current campus policies regarding required background checks for employees and volunteers working*

with student athletes, children, or youth participating in university-sponsored programs held in campus facilities.

(F) Statistics concerning the occurrence on campus, in or on noncampus buildings or property, and on public property during the most recent calendar year, and during the 2 preceding calendar years for which data are available—

(i) of the following criminal offenses reported to campus security authorities or local police agencies:

(I) murder;

(II) sex offenses, forcible or nonforcible;

(III) robbery;

(IV) aggravated assault;

(V) burglary;

(VI) motor vehicle theft;

(VII) manslaughter;

(VIII) arson;

(IX) arrests or persons referred for campus disciplinary action for liquor law violations, drug-related violations, and weapons possession; **[**and**]**

(ii) of the crimes described in subclauses (I) through (VIII) of clause (i), of larceny-theft, simple assault, intimidation, and destruction, damage, or vandalism of property, and of other crimes involving bodily injury to any person, in which the victim is intentionally selected because of the actual or perceived race, gender, religion, national origin, sexual orientation, gender identity,, ethnicity, or disability of the victim that are reported to campus security authorities or local police agencies, which data shall be collected and reported according to category of prejudice; **[**and**]**

(iii) of domestic violence, dating violence, and stalking incidents that were reported to campus security authorities or local police agencies**[**.**]***;*

(iv) of harassment incidents that were reported to campus security authorities or local police agencies; and

(v) of hazing incidents that were reported to campus security authorities or local police agencies.

(G) A statement of policy concerning the monitoring and recording through local police agencies of criminal activity at off-campus student organizations which are recognized by the institution and that are engaged in by students attending the institution, including those student organizations with off-campus housing facilities.

(H) A statement of policy regarding the possession, use, and sale of alcoholic beverages and enforcement of State underage drinking laws and a statement of policy regarding the possession, use, and sale of illegal drugs and enforcement of Federal and State drug laws and a description of any drug or alcohol abuse education programs as required under section 120 of this Act.

(I) A statement advising the campus community where law enforcement agency information provided by a State under section 170101(j) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(j)), concerning registered sex offenders may be obtained, such as the law enforcement of-

fice of the institution, a local law enforcement agency with jurisdiction for the campus, or a computer network address.

(J) A statement of current campus policies regarding immediate emergency response and evacuation procedures, including the use of electronic and cellular communication (if appropriate), which policies shall include procedures to—

(i) immediately notify the campus community upon the confirmation of a significant emergency or dangerous situation involving an immediate threat to the health or safety of students or staff occurring on the campus, as defined in paragraph (6), unless issuing a notification will compromise efforts to contain the emergency;

(ii) publicize emergency response and evacuation procedures on an annual basis in a manner designed to reach students and staff; and

(iii) test emergency response and evacuation procedures on an annual basis.

(K)(i) Each finding by the institution that, during the most recent calendar year, and during the 2 preceding calendar years for which data are available, a student organization committed a violation of the institution's standards of conduct relating to hazing, which—

(I) shall include—

(aa) the name of the student organization that committed the violation;

(bb) a general description of the activities that led to the violation, the charges, such findings by the institution, and the sanctions placed on the organization; and

(cc) the dates on which—

(AA) the violation was alleged to have occurred;

(BB) the student organization was charged with misconduct;

(CC) the investigation was initiated; and

(DD) the investigation ended with a finding that a violation occurred; and

(II) may not include—

(aa) any information related to allegations or investigations of hazing that do not result in a formal finding of a violation of the standards of conduct of the institution; or

(bb) any personally identifiable information on any individual student or member of a student organization.

(ii) The anti-hazing policies (including the standards of conduct with respect to hazing) of the institution, and the changes, if any, that have been made in the preceding calendar year with respect to such policies, and the justification for such changes.

(iii) In the case of an allegation that a multi-institution student organization was involved in a hazing incident, each institution at which the students involved in such allegation are enrolled (or were formerly enrolled), including any student who was a victim in the alleged incident, shall comply with the requirements of this subparagraph.

(2) Nothing in this subsection shall be construed to authorize the Secretary to require particular policies, procedures, or practices by institutions of higher education with respect to campus crimes or campus security.

(3) Each institution participating in any program under this title, other than a foreign institution of higher education, shall make timely reports to the campus community on crimes considered to be a threat to other students and employees described in paragraph (1)(F) that are reported to campus security or local law police agencies. Such reports shall be provided to students and employees in a manner that is timely, that withholds the names of victims as confidential, and that will aid in the prevention of similar occurrences.

(4)(A) Each institution participating in any program under this title, other than a foreign institution of higher education, that maintains a police or security department of any kind shall make, keep, and maintain a daily log, written in a form that can be easily understood, recording all crimes reported to such police or security department, including—

(i) the nature, date, time, and general location of each crime; and

(ii) the disposition of the complaint, if known.

(B)(i) All entries that are required pursuant to this paragraph shall, except where disclosure of such information is prohibited by law or such disclosure would jeopardize the confidentiality of the victim, be open to public inspection within two business days of the initial report being made to the department or a campus security authority.

(ii) If new information about an entry into a log becomes available to a police or security department, then the new information shall be recorded in the log not later than two business days after the information becomes available to the police or security department.

(iii) If there is clear and convincing evidence that the release of such information would jeopardize an ongoing criminal investigation or the safety of an individual, cause a suspect to flee or evade detection, or result in the destruction of evidence, such information may be withheld until that damage is no longer likely to occur from the release of such information.

(5) On an annual basis, each institution participating in any program under this title, other than a foreign institution of higher education, shall submit to the Secretary a copy of the statistics required to be made available under paragraph (1)(F). The Secretary shall—

(A) review such statistics and report to the authorizing committees on campus crime statistics by September 1, 2000;

(B) make copies of the statistics submitted to the Secretary available to the public; and

(C) in coordination with representatives of institutions of higher education, identify exemplary campus security policies, procedures, and practices and disseminate information concerning those policies, procedures, and practices that have proven effective in the reduction of campus crime.

(6)(A) In this subsection:

(i) The terms "dating violence", "domestic violence", and "stalking" have the meaning given such terms in section 40002(a) of the Violence Against Women Act of 1994 (42 U.S.C. 13925(a)).

(ii) The term "campus" means—

(I) any building or property owned or controlled by an institution of higher education within the same reasonably contiguous geographic area of the institution and used by the institution in direct support of, or in a manner related to, the institution's educational purposes, including residence halls; and

(II) property within the same reasonably contiguous geographic area of the institution that is owned by the institution but controlled by another person, is used by students, and supports institutional purposes (such as a food or other retail vendor).

(iii) The term "noncampus building or property" means—

(I) any building or property owned or controlled by a student organization recognized by the institution; and

(II) any building or property (other than a branch campus) owned or controlled by an institution of higher education that is used in direct support of, or in relation to, the institution's educational purposes, is used by students, and is not within the same reasonably contiguous geographic area of the institution.

(iv) The term "public property" means all public property that is within the same reasonably contiguous geographic area of the institution, such as a sidewalk, a street, other thoroughfare, or parking facility, and is adjacent to a facility owned or controlled by the institution if the facility is used by the institution in direct support of, or in a manner related to the institution's educational purposes.

(v) The term "sexual assault" means an offense classified as a forcible or nonforcible sex offense under the uniform crime reporting system of the Federal Bureau of Investigation.

(vi) For purposes of reporting under this section, the term "harassment"—

(I) means unwelcome conduct, of a hostile, intimidating, or offensive nature, based on a student's actual or perceived race, color, religion, sex (including sexual orientation, gender identity, pregnancy, childbirth, a medical condition related to pregnancy or childbirth, and sex stereotype), disability, or national origin, that unreasonably interferes with a student's ability to participate in a program or activity at an institution of higher education, including by creating an intimidating, hostile, or offensive environment;

(II) is not limited to physical acts, and includes conduct that is verbal or nonverbal, direct or indirect, undertaken in whole or in part through the use of electronic messaging services, commercial mobile services, electronic communications, or other technology, or the placement or display of hostile or offensive images or objects based on a protected trait; and

(III) includes sexual harassment, which is unwelcome conduct of a sexual nature, including—

(aa) a sexual advance;

(bb) a request for sexual favors;

(cc) a sexual act, where such submission is made either explicitly or implicitly a term or condition of a program or activity at an institution of higher education, regardless of a student's submission to or rejection of such sexual act;

(dd) a sexual act, where such submission or rejection is used as the basis for a decision affecting a term or condition of a program or activity at an institution of higher education, regardless of a student's submission to or rejection of such sexual act; or

(ee) other conduct of a sexual nature.

(vii) The term "hazing" means any intentional, knowing, or reckless act committed by a student, or a former student, of an institution of higher education, whether individually or in concert with other persons, against another student, that—

(I) was committed in connection with an initiation into, an affiliation with, or the maintenance of membership in, any student organization; and

(II) causes, or contributes to a substantial risk of, physical injury, mental harm, or personal degradation.

(viii) The term "commercial mobile service" has the meaning given the term in section 332(d) of the Communications Act of 1934 (47 U.S.C. 332(d)).

(ix) The term "electronic communication" means any transfer of signs, signals, writing, images, sounds, or data of any nature transmitted in whole or in part by a wire, radio, electromagnetic, photoelectronic, or photooptical system.

(x) The term "electronic messaging services" has the meaning given the term in section 102 of the Communications Assistance for Law Enforcement Act (47 U.S.C. 1001).

(xi) The term "multi-institution student organization" means a student organization that includes students from more than one institution of higher education, including city-wide, regional, State, and national chapters of student organizations.

(xii) The term "student organization" means an organization that is officially recognized by or otherwise affiliated with an institution of higher education and that has a membership that is made up primarily of students enrolled at such institution.

(B) In cases where branch campuses of an institution of higher education, schools within an institution of higher education, or administrative divisions within an institution are not within a reasonably contiguous geographic area, such entities shall be considered separate campuses for purposes of the reporting requirements of this section.

(7) The statistics described in clauses (i) and (ii) of paragraph (1)(F) shall be compiled in accordance with the definitions used in the uniform crime reporting system of the Department of Justice, Federal Bureau of Investigation, and the modifications in such definitions as implemented pursuant to the Hate Crime Statistics Act. For the offenses of domestic violence, dating violence, and stalking, such statistics shall be compiled in accordance with the definitions used in section 40002(a) of the Violence Against Women Act of 1994 (42 U.S.C. 13925(a)). *For harassment incidents, such statistics*

shall be compiled in accordance with the definition of that term in paragraph (6)(A)(vi). For hazing incidents, such statistics shall be compiled in accordance with the definition of that term in paragraph (6)(A)(vii). Such statistics shall not identify victims of crimes or persons accused of crimes.

(8)(A) Each institution of higher education participating in any program under this title and title IV of the Economic Opportunity Act of 1964, other than a foreign institution of higher education, shall develop and distribute as part of the report described in paragraph (1) a statement of policy regarding—

(i) such institution's programs to prevent domestic violence, dating violence, sexual assault, *sexual harassment,* and stalking; and

(ii) the procedures that such institution will follow once an incident of domestic violence, dating violence, sexual assault, *sexual harassment,* or stalking has been reported, including a statement of the standard of evidence that will be used during any institutional conduct proceeding arising from such a report.

(B) The policy described in subparagraph (A) shall address the following areas:

(i) Education programs to promote the awareness of rape, acquaintance rape, domestic violence, dating violence, sexual assault, *sexual harassment,* and stalking, which shall include—

(I) primary prevention and awareness programs for all incoming students and new employees, which shall include—

(aa) a statement that the institution of higher education prohibits the offenses of domestic violence, dating violence, sexual assault, *sexual harassment,* and stalking;

(bb) the definition of domestic violence, dating violence, sexual assault, *sexual harassment,* and stalking in the applicable jurisdiction;

(cc) the definition of consent, in reference to sexual activity, in the applicable jurisdiction;

(dd) safe and positive options for bystander intervention that may be carried out by an individual to prevent harm or intervene when there is a risk of domestic violence, dating violence, sexual assault, *sexual harassment,* or stalking against a person other than such individual;

(ee) information on risk reduction to recognize warning signs of abusive behavior and how to avoid potential attacks; and

(ff) the information described in clauses (ii) through (vii); and

(II) ongoing prevention and awareness campaigns for students and faculty, including information described in items (aa) through (ff) of subclause (I).

(ii) Possible sanctions or protective measures that such institution may impose following a final determination of an institutional disciplinary procedure regarding rape, acquaintance rape, domestic violence, dating violence, sexual assault, *sexual harassment,* or stalking.

(iii) Procedures victims should follow if a sex offense, domestic violence, dating violence, sexual assault, *sexual harassment,* or stalking has occurred, including information in writing about—

(I) the importance of preserving evidence as may be necessary to the proof of criminal domestic violence, dating violence, sexual assault, *sexual harassment,* or stalking, or in obtaining a protection order;

(II) to whom the alleged offense should be reported;

(III) options regarding law enforcement and campus authorities, including notification of the victim's option to—

(aa) notify proper law enforcement authorities, including on-campus and local police;

(bb) be assisted by campus authorities in notifying law enforcement authorities if the victim so chooses; and

(cc) decline to notify such authorities; and

(IV) where applicable, the rights of victims and the institution's responsibilities regarding orders of protection, no contact orders, restraining orders, or similar lawful orders issued by a criminal, civil, or tribal court.

(iv) Procedures for institutional disciplinary action in cases of alleged domestic violence, dating violence, sexual assault, *sexual harassment,* or stalking, which shall include a clear statement that—

(I) such proceedings shall—

(aa) provide a prompt, fair, and impartial investigation and resolution; and

(bb) be conducted by officials who receive annual training on the issues related to domestic violence, dating violence, sexual assault, *sexual harassment,* and stalking and how to conduct ⟦an investigation⟧ *a trauma-informed investigation* and hearing process that protects the safety of victims and promotes accountability;

(II) the accuser and the accused are entitled to the same opportunities to have others present during an institutional disciplinary proceeding, including the opportunity to be accompanied to any related meeting or proceeding by an advisor of their choice; and

(III) both the accuser and the accused shall be simultaneously informed, in writing, of—

(aa) the outcome of any institutional disciplinary proceeding that arises from an allegation of domestic violence, dating violence, sexual assault, *sexual harassment,* or stalking;

(bb) the institution's procedures for the accused and the victim to appeal the results of the institutional disciplinary proceeding;

(cc) of any change to the results that occurs prior to the time that such results become final; and

(dd) when such results become final.

(v) Information about how the institution will protect the confidentiality of victims, including how publicly-available recordkeeping will be accomplished without the inclusion of iden-

tifying information about the victim, to the extent permissible by law.

(vi) Written notification of students and employees about existing counseling, health, mental health, victim advocacy, legal assistance, and other services available for victims both on-campus and in the community.

(vii) Written notification of victims about options for, and available assistance in, changing academic, living, transportation, and working situations, if so requested by the victim and if such accommodations are reasonably available, regardless of whether the victim chooses to report the crime to campus police or local law enforcement.

(viii) Written notification of victims about institutional policies regarding the reimbursement of lost tuition and costs associated with student loan interest accrual related to domestic violence, dating violence, sexual assault, sexual harassment, or stalking incidents.

(C) A student or employee who reports to an institution of higher education that the student or employee has been a victim of domestic violence, dating violence, sexual assault, *sexual harassment,* or stalking, whether the offense occurred on or off campus, shall be provided with a written explanation of the student or employee's rights and options, as described in clauses (ii) through (vii) of subparagraph (B).

(9)(A) Each institution of higher education participating in any program under this title, other than a foreign institution of higher education, shall, as part of the report described in paragraph (1)—

(i) develop and distribute a statement of policy regarding harassment, which shall include—

(I) a prohibition of harassment, including harassment of enrolled students by other students, faculty, and staff—

(aa) on campus;

(bb) in or on a noncampus building or property;

(cc) on public property;

(dd) in dormitories or other residential facilities for students on campus;

(ee) through the use of electronic mail addresses issued by the institution of higher education;

(ff) through the use of computers and communication networks, including any telecommunications service, owned, operated, or contracted for use by the institution of higher education or its agents; and

(gg) during an activity sponsored by the institution of higher education or carried out with the use of resources provided by the institution of higher education;

(II) a prohibition of such harassment that is carried out in whole or in part through the use of electronic messaging services, commercial mobile services, electronic communications, or other technology;

(III) a description of the institution's programs to combat harassment, which shall be aimed at the prevention of harassment;

(IV) a description of the procedures that a student should follow if an incident of harassment occurs; and

(V) a description of the procedures that the institution will follow once an incident of harassment has been reported, including a statement of the standard of evidence that will be used during any institutional conduct proceeding arising from such a report; and

(ii) provide, on a prominent location on the institution's website, a link to the webpage that contains the information required under paragraph (1)(K), including statement notifying the public—

(I) of the availability of such information, including findings, sanctions, and the implementation of sanctions, except information protected under section 444 of the General Education Provisions Act (commonly known as the "Family Education Rights and Privacy Act of 1974");

(II) a description of how a member of the public may obtain such information; and

(III) a statement that the institution is required to provide such information pursuant to paragraph (1)(K).

(B) The statement of policy described in subparagraph (A)(i) shall address the following areas:

(i) Procedures for timely institutional action in cases of alleged harassment, which shall include a clear statement that the accuser and the accused shall be informed of the outcome of any disciplinary proceedings in response to an allegation of harassment.

(ii) Possible sanctions to be imposed following the final determination of an institutional disciplinary procedure regarding harassment.

(iii) Notification of existing counseling, mental health, or student services for victims or perpetrators of harassment, both on campus and in the community.

(iv) Identification of a designated employee or office at the institution that will be responsible for receiving and tracking each report of harassment.

[(9)**]** *(10)* The Secretary, in consultation with the Attorney General of the United States, shall provide technical assistance in complying with the provisions of this section to an institution of higher education who requests such assistance.

[(10)**]** *(11)* Nothing in this section shall be construed to require the reporting or disclosure of privileged information.

[(11)**]** *(12)* The Secretary shall report to the appropriate committees of Congress each institution of higher education that the Secretary determines is not in compliance with the reporting requirements of this subsection.

[(12)**]** *(13)* For purposes of reporting the statistics with respect to crimes described in paragraph (1)(F), an institution of higher education shall distinguish, by means of separate categories, any criminal offenses that occur—

(A) on campus;

(B) in or on a noncampus building or property;

(C) on public property; and

(D) in dormitories or other residential facilities for students on campus.

[(13)**]** *(14)* Upon a determination pursuant to section 487(c)(3)(B) that an institution of higher education has substantially misrepre-

sented the number, location, or nature of the crimes required to be reported under this subsection, the Secretary shall impose a civil penalty upon the institution [in the same amount and] pursuant to the same procedures as a civil penalty is imposed under section 487(c)(3)(B)*, expect that such section shall be applied by substituting "$100,000" for "$60,000"*.

[(14)] *(15)*(A) Nothing in this subsection may be construed to—

(i) create a cause of action against any institution of higher education or any employee of such an institution for any civil liability; or

(ii) establish any standard of care.

(B) Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with this subsection shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity, except with respect to an action to enforce this subsection.

[(15)] *(16)* The Secretary shall annually report to the authorizing committees regarding compliance with this subsection by institutions of higher education, including an up-to-date report on the Secretary's monitoring of such compliance.

[(16)] *(17)*(A) The Secretary shall seek the advice and counsel of the Attorney General of the United States concerning the development, and dissemination to institutions of higher education, of best practices information about campus safety and emergencies.

(B) The Secretary shall seek the advice and counsel of the Attorney General of the United States and the Secretary of Health and Human Services concerning the development, and dissemination to institutions of higher education, of best practices information about preventing and responding to incidents of domestic violence, dating violence, sexual assault, *sexual harassment,* and stalking, including elements of institutional policies that have proven successful based on evidence-based outcome measurements.

(18) ONLINE SURVEY TOOL FOR CAMPUS SAFETY.—

(A) IN GENERAL.—The Secretary shall, in consultation with the Attorney General, Director of the Centers for Disease Control, and the Secretary of the Department of Health and Human Services and experts in domestic violence, dating violence, sexual assault, sexual harassment, and stalking, develop, design, and make available through a secure and accessible online portal, a standardized online survey tool regarding student experiences with domestic violence, dating violence, sexual assault, sexual harassment, and stalking.

(B) DEVELOPMENT OF SURVEY TOOL.—In developing the survey tool required under subparagraph (A), the Secretary shall—

(i) use best practices from peer-reviewed research measuring domestic violence, dating violence, sexual assault, sexual harassment, and stalking;

(ii) consult with the higher education community, experts in survey research related to domestic violence, dating violence, sexual assault, sexual harassment, and stalking, and organizations engaged in the prevention of and response to, and advocacy on behalf of victims of, domestic violence, dating violence, sexual assault,

sexual harassment, and stalking regarding the development and design of such survey tool and the methodology for administration of such survey tool; and

(iii) ensure that the survey tool is readily accessible to and usable by individuals with disabilities.

(C) ELEMENTS.—

(i) IN GENERAL.—The survey tool developed pursuant to this paragraph shall be fair and unbiased, scientifically valid and reliable, and meet the highest standards of survey research.

(ii) SURVEY QUESTIONS.—Survey questions included in the survey tool developed pursuant to this paragraph shall—

(I) be designed to gather information on student experiences with domestic violence, dating violence, sexual assault, sexual harassment, and stalking, including the experiences of victims of such incidents;

(II) use trauma-informed language to prevent retraumatization; and

(III) include the following:

(aa) Questions designed to determine the incidence and prevalence of domestic violence, dating violence, sexual assault, sexual harassment, and stalking.

(bb) Questions regarding whether students know about institutional policies and procedures related to domestic violence, dating violence, sexual assault, sexual harassment, and stalking.

(cc) Questions designed to determine, if victims reported domestic violence, dating violence, sexual assault, sexual harassment, or stalking—

(AA) to whom the incident was reported and what response the victim may have received;

(BB) whether the victim was informed of, or referred to, national, State, local, or on-campus resources; and

(CC) whether the entity to whom the victim reported the incident conducted an investigation and the duration and final resolution of such an investigation.

(dd) Questions regarding contextual factors, such as whether force, incapacitation, or coercion was involved.

(ee) Questions to determine whether an accused individual was a student at the institution.

(ff) Questions to determine whether a victim reported an incident to State, local, or campus law enforcement.

(gg) Questions to determine why the victim chose to report or not report an incident to the

institution or State, local, or campus law enforcement.

(hh) Questions to determine the impact of domestic violence, dating violence, sexual assault, sexual harassment, and stalking on the victim's education, including diminished grades, dropped classes, leaves of absence, and negative financial consequences (such as costs associated with loss in paid tuition due to leaves of absence, loss in scholarship awards due to diminished grades, and cost associated with counseling, medical services, or housing changes).

(ii) Questions to determine the impact and effectiveness of prevention and awareness programs and complaints processes.

(jj) Questions to determine attitudes toward sexual violence and harassment, including the willingness of individuals to intervene as a bystander of sex-based (including sexual orientation-based and gender identity-based), race-based, national origin-based, and disability-based discrimination, harassment, assault, domestic violence, dating violence, sexual assault, sexual harassment, and stalking.

(kk) Other questions, as determined by the Secretary.

(iii) ADDITIONAL ELEMENTS.—In addition to the standardized questions developed by the Secretary under clause (ii), an institution may request additional information from students that would increase the understanding of the institution of school climate factors unique to their campuses.

(iv) RESPONSES.—The responses to the survey questions described in clause (ii) shall—

(I) be submitted confidentially;

(II) not be included in crime statistics; and

(III) in the case of such responses being included in a report, shall not include personally identifiable information.

(D) ADMINISTRATION OF SURVEY.—

(i) FEDERAL ADMINISTRATION.—The Secretary, in consultation with the Attorney General, Director of the Centers for Disease Control, and Secretary of the Department of Health and Human Services, shall develop a mechanism by which institutions of higher education may, with respect to the survey tool developed pursuant to this paragraph—

(I) administer such survey tool; and

(II) modify such survey tool to include additional elements or requirements, as determined by the institution.

(ii) COSTS.—The Secretary may not require an institution of higher education to pay to modify the survey tool in accordance with clause (ii)(II).

(iii) ACCESSIBILITY.—The Secretary shall ensure that the survey tool is administered in such a way as to be readily accessible to and usable by individuals with disabilities.

(iv) INSTITUTIONAL ADMINISTRATION.—Beginning not later than one year after the date on which the Secretary makes available to institutions the mechanism described in clause (i), and every 2 years thereafter, each institution shall administer the survey tool developed pursuant to this paragraph.

(E) COMPLETED SURVEYS.—The Secretary shall require each institution participating in any program under this title to ensure, to the maximum extent practicable, that an adequate, random, and representative sample size of students (as determined by the Secretary) enrolled at the institution complete the survey tool developed pursuant to this paragraph.

(F) REPORT.—Beginning not later than 2 years after the date of enactment of the College Affordability Act, the Secretary shall prepare a biennial report on the information gained from the standardized elements of the survey under this paragraph and publish such report in an accessible format on the website of the Department and submit such report to Congress. The report shall include campus-level data for each school and attributed by name of each campus in a manner that permits comparisons across schools and campuses.

(G) PUBLICATION.—Each institution shall publish, in a manner that is readily accessible and usable by individuals, including individuals with disabilities—

(i) the campus-level results of the standardized elements of the survey under this paragraph on the website of the institution and in the annual security report required under paragraph 1 for the campuses affiliated with the institution; and

(ii) the campus-level results of the additional elements modifying the survey by the institution, if any, on the website of the institution.

(H) VIOLATION.—Upon a determination pursuant to section 487(c)(3)(B) that an institution of higher education has violated or failed to carry out any provision under this subsection, the Secretary shall impose a civil penalty upon the institution in the same amount and pursuant to the same procedures as a civil penalty is imposed under section 487(c)(3)(B).

[(17)**]** *(19)* No officer, employee, or agent of an institution participating in any program under this title shall retaliate, intimidate, threaten, coerce, or otherwise discriminate against any individual for exercising their rights or responsibilities under any provision of this subsection.

[(18)**]** *(20)* This subsection may be cited as the "Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act".

(g) DATA REQUIRED.—

(1) IN GENERAL.—Each coeducational institution of higher education that participates in any program under this title, and has an intercollegiate athletic program, shall annually, for the immediately preceding academic year, prepare a report that contains the following information regarding intercollegiate athletics:

(A) The number of male and female full-time undergraduates that attended the institution.

(B) A listing of the varsity teams that competed in intercollegiate athletic competition and for each such team the following data:

(i) The total number of participants, by team, as of the day of the first scheduled contest for the team.

(ii) Total operating expenses attributable to such teams, except that an institution may also report such expenses on a per capita basis for each team and expenditures attributable to closely related teams such as track and field or swimming and diving, may be reported together, although such combinations shall be reported separately for men's and women's teams.

(iii) Whether the head coach is male or female and whether the head coach is assigned to that team on a full-time or part-time basis. Graduate assistants and volunteers who serve as head coaches shall be considered to be head coaches for the purposes of this clause.

(iv) The number of assistant coaches who are male and the number of assistant coaches who are female for each team and whether a particular coach is assigned to that team on a full-time or part-time basis. Graduate assistants and volunteers who serve as assistant coaches shall be considered to be assistant coaches for the purposes of this clause.

(C) The total amount of money spent on athletically related student aid, including the value of waivers of educational expenses, separately for men's and women's teams overall.

(D) The ratio of athletically related student aid awarded male athletes to athletically related student aid awarded female athletes.

(E) The total amount of expenditures on recruiting, separately for men's and women's teams overall.

(F) The total annual revenues generated across all men's teams and across all women's teams, except that an institution may also report such revenues by individual team.

(G) The average annual institutional salary of the head coaches of men's teams, across all offered sports, and the average annual institutional salary of the head coaches of women's teams, across all offered sports.

(H) The average annual institutional salary of the assistant coaches of men's teams, across all offered sports, and the average annual institutional salary of the assistant coaches of women's teams, across all offered sports.

(I)(i) The total revenues, and the revenues from football, men's basketball, women's basketball, all other men's sports combined and all other women's sports combined,

derived by the institution from the institution's intercollegiate athletics activities.

(ii) For the purpose of clause (i), revenues from intercollegiate athletics activities allocable to a sport shall include (without limitation) gate receipts, broadcast revenues, appearance guarantees and options, concessions, and advertising, but revenues such as student activities fees or alumni contributions not so allocable shall be included in the calculation of total revenues only.

(J)(i) The total expenses, and the expenses attributable to football, men's basketball, women's basketball, all other men's sports combined, and all other women's sports combined, made by the institution for the institution's intercollegiate athletics activities.

(ii) For the purpose of clause (i), expenses for intercollegiate athletics activities allocable to a sport shall include (without limitation) grants-in-aid, salaries, travel, equipment, and supplies, but expenses such as general and administrative overhead not so allocable shall be included in the calculation of total expenses only.

(2) SPECIAL RULE.—For the purposes of paragraph (1)(G), if a coach has responsibilities for more than one team and the institution does not allocate such coach's salary by team, the institution should divide the salary by the number of teams for which the coach has responsibility and allocate the salary among the teams on a basis consistent with the coach's responsibilities for the different teams.

(3) DISCLOSURE OF INFORMATION TO STUDENTS AND PUBLIC.—An institution of higher education described in paragraph (1) shall make available to students and potential students, upon request, and to the public, the information contained in the report described in paragraph (1), except that all students shall be informed of their right to request such information.

(4) SUBMISSION; REPORT; INFORMATION AVAILABILITY.—(A) On an annual basis, each institution of higher education described in paragraph (1) shall provide to the Secretary, within 15 days of the date that the institution makes available the report under paragraph (1), the information contained in the report.

(B) The Secretary shall ensure that the reports described in subparagraph (A) are made available to the public within a reasonable period of time.

(C) Not later than 180 days after the date of enactment of the Higher Education Amendments of 1998, the Secretary shall notify all secondary schools in all States regarding the availability of the information made available under paragraph (1), and how such information may be accessed.

(5) DEFINITION.—For the purposes of this subsection, the term "operating expenses" means expenditures on lodging and meals, transportation, officials, uniforms and equipment.

(h) TRANSFER OF CREDIT POLICIES.—

(1) DISCLOSURE.—Each institution of higher education participating in any program under this title shall publicly disclose *on the website of the institution and in at least one other relevant publication (such as a course catalogue)*, in a readable*, easy to find,* and comprehensible manner, the transfer of credit

policies established by the institution which shall include a statement of the institution's current transfer of credit policies that includes, at a minimum—

(A) any established criteria the institution uses regarding the transfer of credit earned at another institution of higher education; and

(B) a list of institutions of higher education with which the institution has established an articulation agreement[.], *including a link to the website of each institution of higher education on such list and a link to or an explanation of the provisions of each such articulation agreement; and*

(C) a list of transfer-related resources and information not otherwise provided under subparagraphs (A) and (B) that the institution provides (such as deadlines, financial aid information, and relevant staff contact information).

(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to—

(A) authorize the Secretary or the National Advisory Committee on Institutional Quality and Integrity to require particular policies, procedures, or practices by institutions of higher education with respect to transfer of credit;

(B) authorize an officer or employee of the Department to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any institution of higher education, or over any accrediting agency or association;

(C) limit the application of the General Education Provisions Act; or

(D) create any legally enforceable right on the part of a student to require an institution of higher education to accept a transfer of credit from another institution.

(i) DISCLOSURE OF FIRE SAFETY STANDARDS AND MEASURES.—

(1) ANNUAL FIRE SAFETY REPORTS ON STUDENT HOUSING REQUIRED.—Each eligible institution participating in any program under this title that maintains on-campus student housing facilities shall, on an annual basis, publish a fire safety report, which shall contain information with respect to the campus fire safety practices and standards of that institution, including—

(A) statistics concerning the following in each on-campus student housing facility during the most recent calendar years for which data are available:

(i) the number of fires and the cause of each fire;

(ii) the number of injuries related to a fire that result in treatment at a medical facility;

(iii) the number of deaths related to a fire; and

(iv) the value of property damage caused by a fire;

(B) a description of each on-campus student housing facility fire safety system, including the fire sprinkler system;

(C) the number of regular mandatory supervised fire drills;

(D) policies or rules on portable electrical appliances, smoking, and open flames (such as candles), procedures for evacuation, and policies regarding fire safety education and training programs provided to students, faculty, and staff; and

(E) plans for future improvements in fire safety, if determined necessary by such institution.

(2) REPORT TO THE SECRETARY.—Each institution described in paragraph (1) shall, on an annual basis, submit to the Secretary a copy of the statistics required to be made available under paragraph (1)(A).

(3) CURRENT INFORMATION TO CAMPUS COMMUNITY.—Each institution described in paragraph (1) shall—

(A) make, keep, and maintain a log, recording all fires in on-campus student housing facilities, including the nature, date, time, and general location of each fire; and

(B) make annual reports to the campus community on such fires.

(4) RESPONSIBILITIES OF THE SECRETARY.—The Secretary shall—

(A) make the statistics submitted under paragraph (1)(A) to the Secretary available to the public; and

(B) in coordination with nationally recognized fire organizations and representatives of institutions of higher education, representatives of associations of institutions of higher education, and other organizations that represent and house a significant number of students—

(i) identify exemplary fire safety policies, procedures, programs, and practices, including the installation, to the technical standards of the National Fire Protection Association, of fire detection, prevention, and protection technologies in student housing, dormitories, and other buildings;

(ii) disseminate the exemplary policies, procedures, programs and practices described in clause (i) to the Administrator of the United States Fire Administration;

(iii) make available to the public information concerning those policies, procedures, programs, and practices that have proven effective in the reduction of fires; and

(iv) develop a protocol for institutions to review the status of their fire safety systems.

(5) RULES OF CONSTRUCTION.—Nothing in this subsection shall be construed to—

(A) authorize the Secretary to require particular policies, procedures, programs, or practices by institutions of higher education with respect to fire safety, other than with respect to the collection, reporting, and dissemination of information required by this subsection;

(B) affect section 444 of the General Education Provisions Act (commonly known as the "Family Educational Rights and Privacy Act of 1974") or the regulations issued under section 264 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note);

(C) create a cause of action against any institution of higher education or any employee of such an institution for any civil liability; or

(D) establish any standard of care.

(6) COMPLIANCE REPORT.—The Secretary shall annually report to the authorizing committees regarding compliance with this subsection by institutions of higher education, including an up-to-date report on the Secretary's monitoring of such compliance.

(7) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with this subsection shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity, except with respect to an action to enforce this subsection.

(j) MISSING PERSON PROCEDURES.—

(1) OPTION AND PROCEDURES.—Each institution of higher education that provides on-campus housing and participates in any program under this title shall—

(A) establish a missing student notification policy for students who reside in on-campus housing that—

(i) informs each such student that such student has the option to identify an individual to be contacted by the institution not later than 24 hours after the time that the student is determined missing in accordance with official notification procedures established by the institution under subparagraph (B);

(ii) provides each such student a means to register confidential contact information in the event that the student is determined to be missing for a period of more than 24 hours;

(iii) advises each such student who is under 18 years of age, and not an emancipated individual, that the institution is required to notify a custodial parent or guardian not later 24 hours after the time that the student is determined to be missing in accordance with such procedures;

(iv) informs each such residing student that the institution will notify the appropriate law enforcement agency not later than 24 hours after the time that the student is determined missing in accordance with such procedures; and

(v) requires, if the campus security or law enforcement personnel has been notified and makes a determination that a student who is the subject of a missing person report has been missing for more than 24 hours and has not returned to the campus, the institution to initiate the emergency contact procedures in accordance with the student's designation; and

(B) establish official notification procedures for a missing student who resides in on-campus housing that—

(i) includes procedures for official notification of appropriate individuals at the institution that such student has been missing for more than 24 hours;

(ii) requires any official missing person report relating to such student be referred immediately to the institution's police or campus security department; and

(iii) if, on investigation of the official report, such department determines that the missing student has been missing for more than 24 hours, requires—

(I) such department to contact the individual identified by such student under subparagraph (A)(i);

(II) if such student is under 18 years of age, and not an emancipated individual, the institution to immediately contact the custodial parent or legal guardian of such student; and

(III) if subclauses (I) or (II) do not apply to a student determined to be a missing person, inform the appropriate law enforcement agency.

(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed—

(A) to provide a private right of action to any person to enforce any provision of this subsection; or

(B) to create a cause of action against any institution of higher education or any employee of the institution for any civil liability.

[(k) NOTICE TO STUDENTS CONCERNING PENALTIES FOR DRUG VIOLATIONS.—

[(1) NOTICE UPON ENROLLMENT.—Each institution of higher education shall provide to each student, upon enrollment, a separate, clear, and conspicuous written notice that advises the student of the penalties under section 484(r).

[(2) NOTICE AFTER LOSS OF ELIGIBILITY.—An institution of higher education shall provide in a timely manner to each student who has lost eligibility for any grant, loan, or work-study assistance under this title as a result of the penalties listed under section 484(r)(1) a separate, clear, and conspicuous written notice that notifies the student of the loss of eligibility and advises the student of the ways in which the student can regain eligibility under section 484(r)(2).]

(k) Each institution of higher education participating in any program under this title shall—

(1) have designated an appropriate staff person as a liaison to assist homeless individuals described in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a) and foster care youth in accessing and completing postsecondary education, including by ensuring that such homeless individuals and foster care youth are connected to applicable and available student support services, programs, and community resources in areas such as financial aid, academic advising, housing, food, public benefits, health care, health insurance, mental health, child care, transportation benefits, and mentoring;

(2) post public notice about student financial assistance and other assistance available to such homeless individuals and foster care youth, including their eligibility as independent students under subparagraphs (B) and (H) of sections 480(d)(1);

(3) give priority for any institutionally owned or operated housing facilities, including student housing facilities that remain open for occupation during school breaks or on a year-round basis, to—

(A) homeless individuals described in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);

(B) youth who are unaccompanied, at risk of homelessness, and self-supporting; and

(C) foster care youth;

(4) have developed a plan for how such homeless individuals, youth who are unaccompanied, at risk of homelessness, and self-supporting, and foster care youth can access housing resources during and between academic terms, through means that may include access to institutionally owned or operated housing during breaks and a list of housing resources in the community that provide short-term housing; and

(5) include, in its application for admission, questions (to be answered voluntarily) regarding the applicant's status as a homeless individual or foster care youth, that—

(A) can be answered by the applicant voluntarily for the limited purpose of being provided information about financial aid or any other available assistance;

(B) explain the key terms in the question in a manner children and youth can understand in order to self-identify and declare eligibility as a homeless individual or foster care youth; and

(C) with consent of the applicant, may be shared with the liaison after admission but prior to the beginning of the next academic term.

[(l) ENTRANCE COUNSELING FOR BORROWERS.—

[(1) DISCLOSURE REQUIRED PRIOR TO DISBURSEMENT.—

[(A) IN GENERAL.—Each eligible institution shall, at or prior to the time of a disbursement to a first-time borrower of a loan made, insured, or guaranteed under part B (other than a loan made pursuant to section 428C or a loan made on behalf of a student pursuant to section 428B) or made under part D (other than a Federal Direct Consolidation Loan or a Federal Direct PLUS loan made on behalf of a student), ensure that the borrower receives comprehensive information on the terms and conditions of the loan and of the responsibilities the borrower has with respect to such loan in accordance with paragraph (2). Such information—

[(i) shall be provided in a simple and understandable manner; and

[(ii) may be provided—

[(I) during an entrance counseling session conduction in person;

[(II) on a separate written form provided to the borrower that the borrower signs and returns to the institution; or

[(III) online, with the borrower acknowledging receipt of the information.

[(B) USE OF INTERACTIVE PROGRAMS.—The Secretary shall encourage institutions to carry out the requirements

of subparagraph (A) through the use of interactive programs that test the borrower's understanding of the terms and conditions of the borrower's loans under part B or D, using simple and understandable language and clear formatting.

[(2) INFORMATION TO BE PROVIDED.—The information to be provided to the borrower under paragraph (1)(A) shall include the following:

[(A) To the extent practicable, the effect of accepting the loan to be disbursed on the eligibility of the borrower for other forms of student financial assistance.

[(B) An explanation of the use of the master promissory note.

[(C) Information on how interest accrues and is capitalized during periods when the interest is not paid by either the borrower or the Secretary.

[(D) In the case of a loan made under section 428B or 428H, a Federal Direct PLUS Loan, or a Federal Direct Unsubsidized Stafford Loan, the option of the borrower to pay the interest while the borrower is in school.

[(E) The definition of half-time enrollment at the institution, during regular terms and summer school, if applicable, and the consequences of not maintaining half-time enrollment.

[(F) An explanation of the importance of contacting the appropriate offices at the institution of higher education if the borrower withdraws prior to completing the borrower's program of study so that the institution can provide exit counseling, including information regarding the borrower's repayment options and loan consolidation.

[(G) Sample monthly repayment amounts based on—

[(i) a range of levels of indebtedness of—

[(I) borrowers of loans under section 428 or 428H; and

[(II) as appropriate, graduate borrowers of loans under section 428, 428B, or 428H; or

[(ii) the average cumulative indebtedness of other borrowers in the same program as the borrower at the same institution.

[(H) The obligation of the borrower to repay the full amount of the loan, regardless of whether the borrower completes or does not complete the program in which the borrower is enrolled within the regular time for program completion.

[(I) The likely consequences of default on the loan, including adverse credit reports, delinquent debt collection procedures under Federal law, and litigation.

[(J) Information on the National Student Loan Data System and how the borrower can access the borrower's records.

[(K) The name of and contact information for the individual the borrower may contact if the borrower has any questions about the borrower's rights and responsibilities or the terms and conditions of the loan.]

(l) ANNUAL FINANCIAL AID COUNSELING.—

(1) ANNUAL DISCLOSURE REQUIRED.—

(A) IN GENERAL.—Each eligible institution shall ensure that each individual who receives a loan made under part D (other than a Federal Direct Consolidation Loan or a loan made under section 460A and 460B) receives comprehensive information on the terms and conditions of such loan and the responsibilities the individual has with respect to such loan. Such information shall be provided, for each award year for which the individual receives such loan, in a simple and understandable manner—

(i) during a counseling session conducted in person;

(ii) online, with the individual acknowledging receipt of the information; or

(iii) through the use of the online counseling tool described in subsection (n)(1)(B).

(B) USE OF INTERACTIVE PROGRAMS.—In the case of institutions not using the online counseling tool described in subsection (n)(1)(B), the Secretary shall require such institutions to carry out the requirements of subparagraph (A) through the use of interactive programs, during an annual counseling session that is in-person or online, that tests the individual's understanding of the terms and conditions of the loan awarded to the individual, using simple and understandable language and clear formatting.

(2) ALL INDIVIDUALS.—The information to be provided under paragraph (1)(A) to each individual receiving counseling under this subsection shall include the following:

(A) An explanation of how the individual may budget for typical educational expenses and a sample budget based on the cost of attendance for the institution.

(B) An explanation that an individual has a right to annually request a disclosure of information collected by a consumer reporting agency pursuant to section 612(a) of the Fair Credit Reporting Act (15 U.S.C. 1681j(a)).

(C) An introduction to the financial management resources provided by the Consumer Financial Protection Bureau.

(D) An explanation of how the student may seek additional financial assistance from the institution's financial aid office due to a change in the student's financial circumstances, and the contact information for such office.

(3) BORROWERS RECEIVING LOANS MADE UNDER PART D (OTHER THAN PARENT PLUS LOANS).—The information to be provided under paragraph (1)(A) to a borrower of a loan made under part D (other than a Federal Direct PLUS Loan made on behalf of a dependent student) shall include the following:

(A) A notification that some students may qualify for other financial aid and an explanation that the borrower should consider accepting any grant, scholarship, or State or Federal work-study jobs for which the borrower is eligible prior to accepting student loans.

(B) To the extent practicable, the effect of accepting the loan to be disbursed on the eligibility of the borrower for other forms of student financial assistance.

(C) An explanation of the use of the student loan contract referred to in section 432(m)(1)(D).

(D) An explanation that the borrower is not required to accept the full amount of the loan offered to the borrower.

(E) An explanation of the approved educational expenses for which the borrower may use a loan made under part D.

(F) A recommendation to the borrower to exhaust the borrower's Federal student loan options prior to taking out private education loans, an explanation that Federal student loans typically offer better terms and conditions than private education loans, an explanation that Federal student loans offer consumer protections typically not available in the private education loan market, an explanation of treatment of loans made under part D and private education loans in bankruptcy, and an explanation that if a borrower decides to take out a private education loan—

(i) the borrower has the ability to select a private educational lender of the borrower's choice;

(ii) the proposed private education loan may impact the borrower's potential eligibility for other financial assistance, including Federal financial assistance under this title; and

(iii) the borrower has a right—

(I) to accept the terms of the private education loan within 30 calendar days following the date on which the application for such loan is approved and the borrower receives the required disclosure documents, pursuant to section 128(e) of the Truth in Lending Act (15 U.S.C. 1638(e)); and

(II) to cancel such loan within 3 business days of the date on which the loan is consummated, pursuant to section 128(e)(7) of such Act (15 U.S.C. 1638(e)(7)).

(G) The interest rate for the loan, as of the date of the counseling.

(H) Information on how interest accrues and is capitalized during periods when the interest is not paid by either the borrower or the Secretary.

(I) In the case of a Federal Direct PLUS Loan or a Federal Direct Unsubsidized Stafford Loan, the option of the borrower to pay the interest while the borrower is in school.

(J) The definition of half-time enrollment at the institution, during regular terms and summer school, if applicable, and the consequences of not maintaining at least half-time enrollment.

(K) An explanation of the importance of contacting the appropriate offices at the institution of higher education if the borrower withdraws prior to completing the borrower's program of study so that the institution can provide exit counseling, including information regarding the borrower's repayment options and loan consolidation.

(L) The obligation of the borrower to repay the full amount of the loan, regardless of whether the borrower completes or does not complete the program in which the

borrower is enrolled within the regular time for program completion.

(M) The likely consequences of default on the loan, including adverse credit reports, delinquent debt collection procedures under Federal law, and litigation.

(N) Notice of the institution's most recent adjusted cohort default rate (calculated in accordance with section 435(m)(1)(D)), an explanation of the adjusted cohort default rate, the most recent national average adjusted cohort default rate, and the most recent national average adjusted cohort default rate for the category of institution described in section 435(m)(4) to which the institution belongs.

(O) Information on the National Student Loan Data System and how the borrower can access the borrower's records.

(P) The contact information for the institution's financial aid office or other appropriate office at the institution the borrower may contact if the borrower has any questions about the borrower's rights and responsibilities or the terms and conditions of the loan.

(Q) For a first-time borrower, in addition to all the information described in subparagraphs (A) through (P)—

(i) a statement of the anticipated balance on the loan for which the borrower is receiving counseling under this subsection;

(ii) based on such anticipated balance, the anticipated monthly payment amount under, at minimum—

(I) the fixed repayment plan described in section 493E; and

(II) the income-based repayment plan under section 493C(f), as determined using regionally available data from the Bureau of Labor Statistics of the average starting salary for the occupation in which the borrower has an interest in or intends to be employed;

(iii) an estimate of the projected monthly payment amount under each repayment plan described in clause (ii), based on the average cumulative indebtedness at graduation for borrowers of loans made under part D who are in the same program of study as the borrower and the expected increase in the cost of attendance of such program; and

(iv) information on the annual and aggregate loan limits for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans as it pertains to the loan for which the borrower is receiving counseling, and a statement that such aggregate borrowing limit may change based on the borrower's student status (whether undergraduate or graduate) or if there is a change in the borrower's dependency status.

(R) For a borrower with an outstanding balance of principal or interest due on a loan made under this title, in addition to all the information described in subparagraphs (A) through (P)—

(i) information on each student loan that the institution is aware that the student has borrowed, including Federal loans, private loans, and loans from the institution;

(ii) the total amount of the outstanding balance and interest accrued from the Federal student loans described in clause (i);

(iii) for each Federal loan described in clause (i), the interest rate for the loan, as of the date of the counseling, and a statement that the interest rate on student loans may vary based on when the loan was borrowed and other factors;

(iv) based on such outstanding balance for the Federal student loans, the anticipated monthly payment amount under the fixed repayment plan described in section 493E, the income-based repayment plan under section 493C(f), and any other repayment plan for which each loan may be eligible, calculated using regionally available data from the Bureau of Labor Statistics of the average starting salary for the occupation the borrower intends to be employed;

(v) an estimate of the projected monthly payment amount under each repayment plan described in clause (iv), based on—

(I) the outstanding balance described in clause (ii);

(II) the anticipated outstanding balance on the loan for which the student is receiving counseling under this subsection; and

(III) a projection for any other loans made under part D that the borrower is reasonably expected to accept during the borrower's program of study based on at least the average cumulative indebtedness at graduation for borrowers of loans made under part D who are in the same program of study as the borrower and the expected increase in the cost of attendance of such program;

(vi) a statement that the outstanding balance described in clause (ii), the interest rate described in clause (iii), and the monthly amount described in clause (iv) and clause (v) does not include any amounts that the student may be required to repay for private or institutional loans; and

(vii) the percentage of the total aggregate borrowing limit that the student has reached, as of the date of the counseling, for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans, and a statement that such aggregate borrowing limit may change based on the borrower's student status (whether undergraduate or graduate) or if there is a change in the borrower's dependency status.

(4) BORROWERS RECEIVING PARENT PLUS LOANS FOR DEPENDENT STUDENTS.—The information to be provided under paragraph (1)(A) to a borrower of a Federal Direct PLUS Loan

made on behalf of a dependent student shall include the following:

(A) A notification that some students may qualify for other financial aid and an explanation that the student for whom the borrower is taking out the loan should consider accepting any grant, scholarship, or State or Federal work-study jobs for which the borrower is eligible prior to borrowing Parent PLUS Loans.

(B) The information described in subparagraphs (B) through (D) and (L) through (O) of paragraph (3).

(C) The interest rate for the loan, as of the date of the counseling.

(D) The option of the borrower to pay the interest on the loan while the loan is in deferment.

(E) Debt management strategies that are designed to facilitate the repayment of such indebtedness.

(F) An explanation that the borrower has the options to prepay each loan, pay each loan on a shorter schedule, and change repayment plans.

(G) For each Federal Direct PLUS Loan made on behalf of a dependent student for which the borrower is receiving counseling under this subsection, the contact information for the loan servicer of the loan and a link to such servicer's website.

(H) For a first-time borrower of such loan—

(i) a statement of the anticipated balance on the loan for which the borrower is receiving counseling under this subsection;

(ii) based on such anticipated balance, the anticipated monthly payment amount under the fixed repayment plan described in section 493E, the income-based repayment plan under section 493C(f), and any other repayment plan for which each loan may be eligible; and

(iii) an estimate of the projected monthly payment amount under the fixed repayment plan described in section 493E, the income-based repayment plan under section 493C(f), and any other repayment plan for which each loan may be eligible, based on the average cumulative indebtedness of other borrowers of Federal Direct PLUS Loans made on behalf of dependent students who are in the same program of study as the student on whose behalf the borrower borrowed the loan and the expected increase in the cost of attendance of such program.

(I) For a borrower with an outstanding balance of principal or interest due on such loan—

(i) a statement of the amount of such outstanding balance;

(ii) based on such outstanding balance, the anticipated monthly payment amount under the fixed repayment plan described in section 493E, the income-based repayment plan under section 493C(f), and any other repayment plan for which each loan may be eligible; and

(iii) an estimate of the projected monthly payment amount under the fixed and income-based repayment plans, based on—

(I) the anticipated outstanding balance on the loan for which the borrower is receiving counseling under this subsection; and

(II) a projection for any other Federal Direct PLUS Loan made on behalf of the dependent student that the borrower is reasonably expected to accept during the program of study of such student based on at least the average cumulative indebtedness of other borrowers of Federal Direct PLUS Loans made on behalf of dependent students who are in the same program of study as the student on whose behalf the borrower borrowed the loan and the expected increase in the cost of attendance of such program.

(5) ANNUAL LOAN ACCEPTANCE.—Prior to making the first disbursement of a loan made under part D (other than a Federal Direct Consolidation Loan or a loan made under section 460A and 460B) to a borrower for an award year, an eligible institution, shall, as part of carrying out the counseling requirements of this subsection for the loan, ensure that after receiving the applicable counseling under paragraphs (2), (3), and (4) for the loan the borrower accepts the loan for such award year by—

(A) signing and returning to the institution the student loan contract for the loan referred to in section 432(m)(1)(D) that affirmatively states that the borrower accepts the loan; or

(B) electronically signing an electronic version of the student loan contract described in subparagraph (A).

(6) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit an eligible institution from providing additional information and counseling services to recipients of Federal student aid under this title, provided that any additional information and counseling services for recipients of Federal student aid shall not preclude or be considered a condition for disbursement of such aid.

(m) DISCLOSURES OF REIMBURSEMENTS FOR SERVICE ON ADVISORY BOARDS.—

(1) DISCLOSURE.—Each institution of higher education participating in any program under this title shall report, on an annual basis, to the Secretary, any reasonable expenses paid or provided under section 140(d) of the Truth in Lending Act to any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to education loans or other financial aid of the institution. Such reports shall include—

(A) the amount for each specific instance of reasonable expenses paid or provided;

(B) the name of the financial aid official, other employee, or agent to whom the expenses were paid or provided;

(C) the dates of the activity for which the expenses were paid or provided; and

(D) a brief description of the activity for which the expenses were paid or provided.

(2) REPORT TO CONGRESS.—The Secretary shall summarize the information received from institutions of higher education under paragraph (1) in a report and transmit such report annually to the authorizing committees.

(n) ONLINE COUNSELING TOOLS.—

(1) IN GENERAL.—Beginning not later than 18 months after the date of enactment of the College Affordability Act, the Secretary shall maintain—

(A) an online counseling tool that provides the exit counseling required under subsection (b) and meets the applicable requirements of this subsection; and

(B) an online counseling tool that provides the annual counseling required under subsection (l) and meets the applicable requirements of this subsection.

(2) REQUIREMENTS OF TOOLS.—In developing and maintaining the online counseling tools described in paragraph (1), the Secretary shall ensure that each such tool is—

(A) consumer tested, in consultation with other relevant Federal agencies and including students (low-income students and student veterans, and students' families) and borrowers, institutions of higher education, secondary school and postsecondary counselors, and nonprofit consumer groups, to ensure that the tool is effective in helping individuals understand their options, rights, and obligations with respect to borrowing a loan made under part D; and

(B) freely available to all eligible institutions.

(3) RECORD OF COUNSELING COMPLETION.—The Secretary shall—

(A) use each online counseling tool described in paragraph (1) to keep a record of which individuals have received counseling using the tool, and notify the applicable institutions of the individual's completion of such counseling;

(B) in the case of a borrower who receives annual counseling for a loan made under part D using the tool described in paragraph (1)(B), notify the borrower by when the borrower should accept, in a manner described in subsection (l)(5), the loan for which the borrower has received such counseling; and

(C) in the case of a borrower described in subsection (b)(1)(B) at an institution that uses the online counseling tool described in paragraph (1)(A) of this subsection, the Secretary shall attempt to provide the information described in subsection (b)(1)(A) to the borrower through such tool.

(o) DISCLOSURE OF RELIGIOUS EXEMPTIONS TO TITLE IX OF THE EDUCATION AMENDMENTS OF 1972.—Each institution of higher education participating in any program under this title that requests, receives, or exercises or intends to exercise a religious exemption to the requirements of title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.) shall submit in writing to the Assistant Secretary for Civil Rights a statement by the highest ranking official

of the institution, identifying the provisions of part 106 of title 34 of the Code of Federal Regulations that conflict with a specific tenet of the religious organization and shall publish on its website, in a prominent location, the following:

(1) REQUEST LETTER.—Each letter submitted by the educational institution to the Department to request such an exemption.

(2) EXEMPTION LETTER.—Each letter from the Department to the educational institution that grants or denies such an exemption.

(3) NOTICE OF REQUEST.—Notice that the educational institution has requested an exemption under section 901(a)(3) of the Education Amendments of 1972 (20 U.S.C. 1681(a)(3)).

(4) NOTICE OF EXEMPTION.—If applicable, notice that the educational institution has received an exemption under section 901(a)(3) of the Education Amendments of 1972 (20 U.S.C. 1681(a)(3)).

(5) COVERED PERSONAL CHARACTERISTICS OR BEHAVIORS.—A list of the personal characteristics or behaviors to which each requested or granted exemption applies.

(6) COVERED ACTIVITIES OR PROGRAMS.—A list of the activities or programs to which each exemption applies.

(7) STATEMENT OF RIGHTS.—The statement "Students continue to have rights under title IX of the Education Amendments of 1972. Any student who experiences discrimination may contact the Office for Civil Rights at the United States Department of Education at _____ or _____.", with the first blank space being filled with a link to the website of the Office for Civil Rights and the second blank space being filled with the telephone number of the Office for Civil Rights.

(p) EXPECTANT AND PARENTING STUDENTS POLICIES.—Each institution of higher education participating in any program under this title shall develop and make available, including on the institution's website, a statement of policy concerning expectant and parenting students, which shall include, at a minimum—

(1) the institution's policy regarding leaves of absence related to pregnancy (and related medical conditions), and the birth or adoption of a child, which shall include—

(A) any policies related to the availability of parental leave; and

(B) options, including time requirements, for making up missed work for students who take a leave of absence;

(2) information regarding lactation accommodations available to students;

(3) a description of the process for requesting accommodations, and the type of accommodations available to expectant and parenting students, including—

(A) information on accommodations for pregnancy-related medical conditions; and

(B) information on accommodations for students who have parental responsibilities;

(4) information regarding financial aid eligibility for expectant and parenting students, including—

(A) the availability of dependent care allowances for a parenting student for the purposes of determining the student's cost of attendance;

(B) the ability to change dependency status, including during an award year, following the birth of a child;

(C) the availability of and eligibility requirements for any emergency financial aid programs provided by the institution; and

(D) an explanation of the effect that a leave of absence may have on a student's demonstration of satisfactory academic progress, including for the purposes of eligibility to participate in financial aid programs under this title;

(5) information on available student support services, programs, and community resources, such as academic advising, child care (including child care subsidy and assistance programs), housing (including housing subsidies and utility assistance programs), food (including food assistance programs), public benefits, health care, health insurance, mental health, transportation benefits, mentoring, and other services available for expectant and parenting students, both on-campus and in the community, and under local, State, and Federal law;

(6) information regarding the availability of on-campus housing that permits students to live with dependents;

(7) information on the rights and protections that are guaranteed to expectant and parenting students under applicable Federal and State laws;

(8) the institution's procedures for addressing complaints under title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), including procedures for reporting complaints under such title;

(9) the institution's procedures for addressing complaints alleging discrimination based on a pregnancy-related disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) or the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), including procedures for reporting complaints under such laws; and

(10) the contact information for the institution's Office of Accessibility, the institution's Title IX coordinator, and any other relevant staff members who serve as a point of contact for, or offer services available to, expectant and parenting students.

* * * * * * *

SEC. 485B. NATIONAL STUDENT LOAN DATA SYSTEM.

(a) DEVELOPMENT OF THE SYSTEM.—The Secretary shall consult with a representative group of guaranty agencies, eligible lenders, and eligible institutions to develop a mutually agreeable proposal for the establishment of a National Student Loan Data System containing information regarding loans made, insured, or guaranteed under part B and loans made under parts D and E, and for allowing the electronic exchange of data between program participants and the system. In establishing such data system, the Secretary shall place a priority on providing for the monitoring of enrollment, student status, information about current loan holders and servicers, and internship and residency information. Such data system shall also permit borrowers to use the system to identify the

current loan holders and servicers of such borrower's loan not later than one year after the date of enactment of the Higher Education Amendments of 1998. The information in the data system shall include (but is not limited to)—

(1) the amount and type of each such loan made;

(2) the names and social security numbers of the borrowers;

(3) the guaranty agency responsible for the guarantee of the loan;

(4) the institution of higher education or organization responsible for loans made under parts D and E;

(5) the exact amount of loans partially or totally canceled or in deferment for service under the Peace Corps Act (22 U.S.C. 2501 et seq.), for service under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.), and for comparable full-time service as a volunteer for a tax-exempt organization of demonstrated effectiveness;

(6) the eligible institution in which the student was enrolled or accepted for enrollment at the time the loan was made, and any additional institutions attended by the borrower;

(7) the total amount of loans made to any borrower and the remaining balance of the loans;

(8) the lender, holder, and servicer of such loans;

(9) information concerning the date of any default on the loan and the collection of the loan, including any information concerning the repayment status of any defaulted loan on which the Secretary has made a payment pursuant to section 430(a) or the guaranty agency has made a payment to the previous holder of the loan;

(10) information regarding any deferments or forbearance granted on such loans; and

(11) the date of cancellation of the note upon completion of repayment by the borrower of the loan or payment by the Secretary pursuant to section 437.

(b) ADDITIONAL INFORMATION.—For the purposes of research and policy analysis, the proposal shall also contain provisions for obtaining additional data concerning the characteristics of borrowers and the extent of student loan indebtedness on a statistically valid sample of borrowers under part B. Such data shall include—

(1) information concerning the income level of the borrower and his family and the extent of the borrower's need for student financial assistance, including loans;

(2) information concerning the type of institution attended by the borrower and the year of the program of education for which the loan was obtained;

(3) information concerning other student financial assistance received by the borrower; and

(4) information concerning Federal costs associated with the student loan program under part B of this title, including the costs of interest subsidies, special allowance payments, and other subsidies.

(c) VERIFICATION.—The Secretary may require lenders, guaranty agencies, or institutions of higher education to verify information or obtain eligibility or other information through the National Student Loan Data System prior to making, guaranteeing, or certifying a loan made under part B, D, or E.

(d) PRINCIPLES FOR ADMINISTERING THE DATA SYSTEM.—In managing the National Student Loan Data System, the Secretary shall take actions necessary to maintain confidence in the data system, including, at a minimum—

(1) ensuring that the primary purpose of access to the data system by guaranty agencies, eligible lenders, and eligible institutions of higher education is for legitimate program operations, such as the need to verify the eligibility of a student, potential student, or parent for loans under part B, D, or E;

(2) prohibiting nongovernmental researchers and policy analysts from accessing personally identifiable information;

(3) creating a disclosure form for students and potential students that is distributed when such students complete the common financial reporting form under section 483, and as a part of the exit counseling process under section 485(b), that—

(A) informs the students that any title IV grant or loan the students receive will be included in the National Student Loan Data System, and instructs the students on how to access that information;

(B) describes the categories of individuals or entities that may access the data relating to such grant or loan through the data system, and for what purposes access is allowed;

(C) defines and explains the categories of information included in the data system;

(D) provides a summary of the provisions of section 444 of the General Education Provisions Act (commonly known as the "Family Educational Rights and Privacy Act of 1974") and other applicable Federal privacy statutes, and a statement of the students' rights and responsibilities with respect to such statutes;

(E) explains the measures taken by the Department to safeguard the students' data; and

(F) includes other information as determined appropriate by the Secretary;

(4) requiring guaranty agencies, eligible lenders, and eligible institutions of higher education that enter into an agreement with a potential student, student, or parent of such student regarding a loan under part B, D, or E, to inform the student or parent that such loan shall be—

(A) submitted to the data system; and

(B) accessible to guaranty agencies, eligible lenders, and eligible institutions of higher education determined by the Secretary to be authorized users of the data system;

(5) regularly reviewing the data system to—

(A) delete inactive users from the data system;

(B) ensure that the data in the data system are not being used for marketing purposes; and

(C) monitor the use of the data system by guaranty agencies and eligible lenders to determine whether an agency or lender is accessing the records of students in which the agency or lender has no existing financial interest; [and]

(6) developing standardized protocols for limiting access to the data system that include—

(A) collecting data on the usage of the data system to monitor whether access has been or is being used contrary to the purposes of the data system;

(B) defining the steps necessary for determining whether, and how, to deny or restrict access to the data system; and

(C) determining the steps necessary to reopen access to the data system following a denial or restriction of access[.]*; and*

(7) preventing access to the data system and any other system used to administer a program under this title by any person or entity for the purpose of assisting a student in managing loan repayment or applying for any repayment plan, consolidation loan, or other benefit authorized by this title, unless such access meets the requirements described in subsection (e).

(e) REQUIREMENTS FOR THIRD-PARTY DATA SYSTEM ACCESS.—

(1) IN GENERAL.—As provided in paragraph (7) of subsection (d), an authorized person or entity described in paragraph (2) may access the data system and any other system used to administer a program under this title if that access—

(A) is in compliance with terms of service, information security standards, and a code of conduct which shall be established by the Secretary and published in the Federal Register;

(B) is obtained using an access device (as defined in section 1029(e)(1) of title 18, United States Code) issued by the Secretary to the authorized person or entity; and

(C) is obtained without using any access device (as defined in section 1029(e)(1) of title 18, United States Code) issued by the Secretary to a student, borrower, or parent.

(2) AUTHORIZED PERSON OR ENTITY.—An authorized person or entity described in this paragraph means—

(A) a guaranty agency, eligible lender, or eligible institution, or a third-party organization acting on behalf of a guaranty agency, eligible lender, or eligible institution, that is in compliance with applicable Federal law (including regulations and guidance); or

(B) a licensed attorney representing a student, borrower, or parent, or another individual who works for a Federal, State, local, or Tribal government or agency, or for a nonprofit organization, providing financial or student loan repayment counseling to a student, borrower, or parent, if—

(i) that attorney or other individual has never engaged in unfair, deceptive, or abusive practices, as determined by the Secretary;

(ii) that attorney or other individual does not work for an entity that has engaged in unfair, deceptive, or abusive practices (including an entity that is owned or operated by a person or entity that engaged in such practices), as determined by the Secretary;

(iii) system access is provided only through a separate point of entry; and

(iv) the attorney or other individual has consent from the relevant student, borrower, or parent to access the system.

[(e)] *(f)* REPORTS TO CONGRESS.—

(1) ANNUAL REPORT.—Not later than September 30 of each fiscal year, the Secretary shall prepare and submit to the authorizing committees a report describing—

(A) the effectiveness of existing privacy safeguards in protecting [student and parent] *student, borrower, and parent* information in the data system;

(B) the success of any new authorization protocols in more effectively preventing abuse of the data system;

(C) the reduction in improper data system access as described in subsection (d)(7);

[(C)] *(D)* the ability of the Secretary to monitor how the system is being used, relative to the intended purposes of the data system; and

[(D) any protocols developed under subsection (d)(6) during the preceding fiscal year.]

(E) any protocols, codes of conduct, terms of service, or information security standards developed under paragraphs (6) or (7) of subsection (d) during the preceding fiscal year.

(2) STUDY.—

(A) IN GENERAL.—The Secretary shall conduct a study regarding—

(i) available mechanisms for providing students and parents with the ability to opt in or opt out of allowing eligible lenders to access their records in the National Student Loan Data System; and

(ii) appropriate protocols for limiting access to the data system, based on the risk assessment required under subchapter III of chapter 35 of title 44, United States Code.

(B) SUBMISSION OF STUDY.—Not later than three years after the date of enactment of the Higher Education Opportunity Act, the Secretary shall prepare and submit a report on the findings of the study under subparagraph (A) to the authorizing committees.

[(f)] *(g)* STANDARDIZATION OF DATA REPORTING.—

(1) IN GENERAL.—The Secretary shall by regulation prescribe standards and procedures (including relevant definitions) that require all lenders and guaranty agencies to report information on all aspects of loans made under this title in uniform formats in order to permit the direct comparison of data submitted by individual lenders, servicers or guaranty agencies.

(2) ACTIVITIES.—For the purpose of establishing standards under this section, the Secretary shall—

(A) consult with guaranty agencies, lenders, institutions of higher education, and organizations representing the groups described in paragraph (1);

(B) develop standards designed to be implemented by all guaranty agencies and lenders with minimum modifications to existing data processing hardware and software; and

(C) publish the specifications selected to be used to encourage the automation of exchanges of information between all parties involved in loans under this title.

[(g)] *(h)* COMMON IDENTIFIERS.—The Secretary shall, not later than July 1, 1993—

(1) revise the codes used to identify institutions and students in the student loan data system authorized by this section to make such codes consistent with the codes used in each database used by the Department of Education that contains information of participation in programs under this title; and

(2) modify the design or operation of the system authorized by this section to ensure that data relating to any institution is readily accessible and can be used in a form compatible with the integrated postsecondary education data system (IPEDS).

[(h)] *(i)* INTEGRATION OF DATABASES.—The Secretary shall integrate the National Student Loan Data System with the Pell Grant applicant and recipient databases as of January 1, 1994, and any other databases containing information on participation in programs under this title.

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SEC. 485F. INFORMATION WITH RESPECT TO CRIME STATISTICS FOR PROGRAMS OF STUDY ABROAD.

(a) IN GENERAL.—Each institution participating in any program under this title, other than a foreign institution of higher education, shall develop and distribute a statement of policy with respect to students participating in a program of study abroad approved for credit by the institution concerning crime and harm that may occur while participating in such program of study abroad that, at a minimum, includes a biennial review by the institution of the programs of study abroad approved for credit by the institution to determine—

(1) the effectiveness of the programs at protecting students from crime and harm, and whether changes to the programs are needed (based on the most recent guidance or other assistance from the Secretary) and will be implemented;

(2) for the 5 years preceding the date of the report, the number (in the aggregate for all programs of study abroad approved for credit by the institution) of—

(A) deaths of program participants occurring during program participation or during any other activities during the study abroad period;

(B) sexual assaults against program participants occurring during program participation and reported to the institution;

(C) accidents and illnesses occurring during program participation that resulted in hospitalization and were reported to the institution; and

(D) incidents involving program participants during the program participation that resulted in police involvement or a police report and were reported to the institution; and

(3) with respect to the incidents described in subparagraphs (A) and (B) of paragraph (2), whether the incidents occurred—

(A) on campus;

(B) in or on noncampus buildings or property;

(C) on public property;

(D) in dormitories or other residential facilities for students on campus; or

(E) at a location not described in items (A) through (D) of this clause, without regard to whether the institution owns or controls a building or property at the location.

(b) OTHER DUTIES.—An institution of higher education described in subsection (a) shall—

(1) provide each student who is interested in participating in a program of study abroad approved for credit by the institution, with an orientation session and advising that includes—

(A) a list of countries in which such programs of study abroad are located;

(B) all current travel information, including all travel warnings and travel alerts, issued by the Bureau of Consular Affairs of the Department of State for such countries; and

(C) the information described in paragraph (a), provided specifically for each program of study abroad approved for credit by the institution in which the student is considering participation; and

(2) provide each student who returns from such a program of study abroad with a post-trip debriefing session, including an exit interview that assists the institution in carrying out subsection (a).

(c) LIMITATIONS.—An institution of higher education shall not disaggregate or otherwise distinguish information for purposes of subsection (a) or (b) in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

(d) REVIEW.—The Secretary shall periodically review a representative sample of the policies described in subsection (a) that have been adopted by institutions of higher education.

(e) DEFINITION.—For the purpose of this section, the definitions for "campus", "noncampus building or property", and "public property" shall have the same meaning as in section 485(f)(6).

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SEC. 486B. REMEDIAL EDUCATION GRANTS.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—From the funds appropriated under subsection (k) (and not reserved under subsection (c)(4)), the Secretary, in consultation with the Director of the Institute of Education Sciences, shall award grants, on a competitive basis, to eligible entities to improve remedial education in higher education.

(2) DURATION.—A grant under this section shall be awarded for a period of 5 years.

(3) MINIMUM AWARDS.—The total amount of funds provided under each grant awarded under this section shall not be less than $500,000.

(b) APPLICATION.—An eligible entity that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require, which shall include the following:

(1) A description of how the eligible entity will use the grant funds to develop or improve a remedial education program that

includes evidence-based, effective strategies for providing instruction to ensure that students are prepared for courses at the postsecondary level.

(2) An assurance that the eligible entity will use more than two measures (such as a student's college entrance examination score, grade point average, high school course list, or a placement examination) to identify students in need of remedial education who may be eligible to participate in the remedial education program developed or improved under the grant.

(3) A description of how the eligible entity, in developing or improving such a program, will consult with stakeholders, including individuals with expertise in remedial education, students enrolled in remedial education, and faculty instructors for remedial education.

(4) The eligible entity's plan for sustaining the program after the grant period has ended.

(5) The eligible entity's plan for monitoring and evaluating the program, including how the eligible entity will use the data collected under subsection (h) to continually update and improve the program.

(c) CONSULTATION AND INDEPENDENT EVALUATION.—

(1) IN GENERAL.—Before selecting eligible entities to receive grants under this section for a fiscal year, the Secretary shall—

(A) ensure that the consultation required under paragraph (3) is carried out; and

(B) consider the results of the consultation in selecting eligible entities to receive such grants.

(2) CONTRACT AUTHORITY.—The Secretary, acting through the Director, shall seek to enter into a contract with an independent evaluator under which the evaluator will provide the consultation and evaluation required under paragraph (3).

(3) CONSULTATION AND INDEPENDENT EVALUATION REQUIRED.—The independent evaluator shall carry out the following activities:

(A) CONSULTATION.—For each fiscal year of the grant program under this section, the independent evaluator shall consult with, and provide advice to, the Secretary regarding which eligible entities should receive grants under this section for such fiscal year.

(B) EVALUATION.—Throughout the duration of the grant program under this section, the independent evaluator shall independently evaluate the impact of the remedial education programs funded with the grants, which shall include evaluation of—

(i) the effectiveness of the remedial education programs in increasing course and degree completion at the postsecondary level; and

(ii) the outcomes of the remedial education programs within and among models of remedial education described in subsection (d).

(4) RESERVATION.—The Secretary may reserve not more than 15 percent of the funds appropriated under subsection (k) for a fiscal year to carry out this subsection for such fiscal year.

(d) USE OF FUNDS.—An eligible entity that receives a grant under this section shall use the grant to develop or improve a remedial education program through one or more of the following models:

(1) ALIGNING COURSE WORK.—Working with a local educational agency or State educational agency that is part of the eligible entity to develop or improve programs that provide alignment between high school coursework and postsecondary education, and that may include—

(A) assessments in high school to measure student readiness for courses at the postsecondary level; or

(B) interventions in high school that improve student competencies for courses at the postsecondary level.

(2) ACCELERATED COURSE WORK.—Redesigning or improving remedial education that—

(A) allows students to enroll in more than one sequential remedial education course or training in a semester, or the equivalent;

(B) condenses the time of the remedial education; or

(C) provides shortened, intensive courses or training to improve competencies of students for courses at the postsecondary level.

(3) MODULAR INSTRUCTIONAL METHODS.—Developing or improving remedial education that—

(A) specifically targets the skills that students need to move forward in courses at the postsecondary level; and

(B) may be used to develop new assessments, redesign courses to provide targeted skill instruction, or provide faculty professional development.

(4) CO-REQUISITE MODEL.—Developing or improving remedial education programs that allow a student to enroll in remedial education (which may be provided through a modular instructional method) while also enrolled in a course at the postsecondary level.

(5) SYSTEMIC REFORM TO IMPLEMENT COMPREHENSIVE, INTEGRATED SUPPORT PROGRAMS.—Implementing and improving comprehensive, integrated, evidence-based support programs that—

(A) enable students enrolled in remedial education to complete a course of study leading to a recognized educational credential within 150 percent of the normal time for completion; and

(B) may include financial supports, academic tutoring or support, and advising that enable students to find success in remedial education and courses at the postsecondary level.

(e) CONSIDERATIONS.—In awarding grants under this section, the Secretary, in consultation with the Director, shall—

(1) ensure—

(A) a minimum of 30 eligible entities are awarded grants for each 5-year grant period;

(B) an equitable geographic distribution of such grants, including an equitable distribution between urban and rural areas; and

(C) that grants are used to develop or improve remedial education programs—

(i) under each model described in subsection (d) to enable, to the extent practicable, statistical comparisons of the relative effectiveness of the models and the programs within each model; and

(ii) for a range of types and sizes of institutions of higher education; and

(2) give preference to eligible entities that primarily serve low-income students.

(f) FISCAL REQUIREMENTS.—

(1) SUPPLEMENT NOT SUPPLANT.—A grant awarded under this section shall be used to supplement, not supplant, funds that would otherwise be used to carry out the activities described in this section.

(2) MATCHING FUNDS.—

(A) IN GENERAL.—Subject to subparagraph (B), an eligible entity that receives a grant under this section shall provide, from non-Federal sources, an amount equal to 10 percent of the amount of the grant for the cost of activities assisted under the grant.

(B) EXCEPTIONS.—The requirements of subparagraph (A) shall not apply to—

(i) Tribal Colleges or Universities; or

(ii) institutions of higher education located in the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau.

(g) EXPERIMENTAL AUTHORITY.—Notwithstanding any other provision of this title, a student may be eligible to receive loans or grants under this title for up to 2 academic years for enrollment in a remedial education program under this section.

(h) DATA COLLECTION, REPORTS, EVALUATIONS, AND DISSEMINATION.—

(1) INFORMATION.—

(A) STUDENT-LEVEL DATA.—Each eligible entity that receives a grant under this section shall provide to the Director and the Secretary, on an annual basis for each year of the grant period and for 5 years after such grant period, the student-level data with respect to the students who are or were enrolled in a remedial education program funded with the grant. The Director and the Secretary shall share such data with the independent evaluator to enable the evaluator, for each such year, to determine the information described in subparagraph (B) with respect to each such remedial education program.

(B) AGGREGATE STUDENT DATA.—The independent evaluator shall determine, with respect to each remedial education program for which an eligible entity provides student-level data under subparagraph (A), the following information:

(i) The number of students who are or were enrolled in such remedial education program.

(ii) The cost of such remedial education program.

(iii) The amount of grant or loan funds under this title awarded to students for enrollment in such remedial education program.

(iv) The type of remedial education offered under the program.

(v) The length of time students spend in such remedial education program, as measured by semester, trimester, or clock hours.

(vi) The number of students who complete such remedial education program.

(vii) Of the students who complete such remedial education program—

(I) the number and percentage of such students who later enroll in postsecondary-level courses at an institution of higher education;

(II) the number and percentage of such students who receive a recognized educational credential from an institution of higher education;

(III) the average length of time required for a student described in subclause (II) to complete the course of study leading to such credential; and

(IV) the number and percentage of students described in subclause (II) who complete the course of study leading to such credential within 150 percent of the normal time for completion.

(C) DISAGGREGATION.—The information determined under subparagraph (B) shall be disaggregated by race, gender, socioeconomic status, Federal Pell Grant eligibility status, status as a first generation college student, veteran or active duty status, and disability status.

(2) EVALUATION RESULTS.—Not later than six years after the first grant is awarded under this section, the Director, in consultation with the Secretary and using the information determined under paragraph (1), shall submit to the authorizing committees and make available on a publicly accessible website, a report on the results of the multiyear, rigorous, and independent evaluation of the impact of the remedial education programs carried out by the independent evaluator. The report shall include the results of such evaluation with respect to—

(A) the effectiveness of the remedial education programs in increasing course and degree completion at the postsecondary level; and

(B) the outcomes of the remedial education programs within and among models of remedial education described in subsection (d).

(3) REPORTS AND DISSEMINATION.—

(A) INITIAL REPORT.—Not later than one year after the first grant is awarded under this section, the Secretary, in consultation with the independent evaluator, shall prepare and submit to the authorizing committees a report on each remedial education program funded under this section.

(B) SUBSEQUENT REPORT.—Not later than five years after the last grant is awarded under this section, the Secretary, in consultation with the independent evaluator, shall pre-

pare and submit to the authorizing committees a report that includes—

(i) a review of the activities and program performance of each remedial education program funded under this section; and

(ii) guidance and recommendations on how successful remedial education programs (as determined, at a minimum, by the number and percentage of remedial education students who later complete a course of study at an institution of higher education within 150 percent of the normal time for completion) can be replicated.

(C) PUBLIC AVAILABILITY.—The reports submitted under subparagraphs (A) and (B) shall be made available on a publicly accessible website of the Department of Education.

(i) DATA PRIVACY.—

(1) IN GENERAL.—It shall be unlawful for any person who obtains or has access to personally identifiable information pursuant to this section to knowingly disclose to any person (except as authorized in this section or any Federal law) such personally identifiable information.

(2) PENALTY.—Any person who violates paragraph (1) shall be fined under title 18, United States Code.

(3) OFFICER OR EMPLOYEE OF THE UNITED STATES.—If any officer or employee of the United States violates paragraph (1), the officer or employee shall be dismissed from office or discharged from employment upon conviction for the violation.

(4) LAW ENFORCEMENT.—Personally identifiable information collected under this section shall not be used for any law enforcement activity or any other activity that would result in adverse action against any student, including debt collection activity or enforcement of the immigration laws.

(j) DEFINITIONS.—In this section:

(1) DIRECTOR.—The term "Director" means the Director of the Institute of Education Sciences.

(2) ELIGIBLE ENTITY.—The term "eligible entity" means—

(A) an institution of higher education; or

(B) a partnership between an institution of higher education and at least 1 of the following:

(i) A local educational agency.

(ii) A State educational agency.

(3) FIRST GENERATION COLLEGE STUDENT.—The term "first generation college student" has the meaning given that term in section 402A(h).

(4) INDEPENDENT EVALUATOR.—The term "independent evaluator" means the independent evaluator with which the Secretary enters into a contract under subsection (c)(2).

(5) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given that term in section 101.

(6) REMEDIAL EDUCATION.—The term "remedial education"—

(A) means education (such as courses or training) offered at an institution of higher education that—

(i) is below the postsecondary level; and

(ii) is determined by the institution to be necessary to help students be prepared for the pursuit of a first undergraduate baccalaureate degree, associate's degree, or certificate or, in the case of courses in English language instruction, to be necessary to enable the student to utilize already existing knowledge, training, or skills; and

(B) includes developmental education that meets the requirements of subparagraph (A).

(7) TRIBAL COLLEGE OR UNIVERSITY.—The term "Tribal College or University" has the meaning given that term in section 316(b).

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $162,500,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

SEC. 486C. COMPETENCY-BASED EDUCATION DEMONSTRATION PROJECTS.

(a) DEMONSTRATION PROJECTS AUTHORIZED.—The Secretary shall select, in accordance with subsection (d), eligible entities to voluntarily carry out competency-based education demonstration projects for a duration of 5 years and receive waivers or other flexibility described in subsection (e) to carry out such projects.

(b) APPLICATION.—

(1) IN GENERAL.—Each eligible entity desiring to carry out a demonstration project under this section shall submit an application to the Secretary, at such time and in such manner as the Secretary may require.

(2) OUTREACH.—

(A) IN GENERAL.—The Secretary shall, prior to any deadline to submit applications under paragraph (1), conduct outreach to institutions, including those described in subparagraph (B), to provide those institutions with information on the opportunity to apply to carry out a demonstration project under this section.

(B) INSTITUTIONS.—The institutions described in this subparagraph are the following:

(i) Part B institutions (as defined in section 322).

(ii) Hispanic-serving institutions (as defined in section 502).

(iii) Tribal Colleges or Universities (as defined in section 316).

(iv) Alaska Native-serving institutions (as defined in section 317(b)).

(v) Native Hawaiian-serving institutions (as defined in section 317(b)).

(vi) Predominantly Black Institutions (as defined in section 318).

(vii) Asian American and Native American Pacific Islander-serving institutions (as defined in section 320(b)).

(viii) Native American-serving, nontribal institutions (as defined in section 319).

(ix) Institutions predominately serving adult learners.

(x) Institutions serving students with disabilities.

(xi) Institutions located in rural areas.

(3) AMENDMENTS.—

(A) IN GENERAL.—An eligible entity that has been selected to carry out a demonstration project under this section may submit to the Secretary amendments to the eligible entity's approved application under paragraph (1), at such time and in such manner as the Secretary may require, which the Secretary shall approve or deny within 30 days of receipt.

(B) EXPANDING ENROLLMENT.—Notwithstanding the assurance required with respect to maximum enrollment under paragraph (4)(N)—

(i) an eligible entity whose demonstration project has been evaluated under subsection (g)(2) not less than twice, may submit to the Secretary an amendment to the eligible entity's application under paragraph (1) to increase enrollment in the project to more than 3,000 students, but not more than 5,000 students, and which shall specify—

(I) the proposed maximum enrollment and annual enrollment growth for the project;

(II) how the eligible entity will successfully carry out the project with such maximum enrollment and enrollment growth; and

(III) any other amendments to the eligible entity's application under paragraph (1) that are related to such maximum enrollment or enrollment growth; and

(ii) the Secretary shall determine whether to approve or deny an amendment submitted under clause (i) for a demonstration project based on the project's evaluations under subsection (g)(2).

(4) CONTENTS.—Each application under paragraph (1) shall include—

(A) a description of each competency-based education program to be offered by the eligible entity under the demonstration project;

(B) a description of the alignment of the proposed competency-based education program to the institution's mission, and evidence of institutional commitment to such program;

(C) a description of how each program will work with employers and local industry to assess and incorporate competencies that are relevant in the labor market and how the program aligns with employer needs;

(D) a description of the proposed academic design, academic and support services, delivery, business, and financial models for the demonstration project, including explanations and supporting documents, including financial statements, and, any revenue-sharing agreements with third-party servicers or online program managers, of how each competency-based education program offered under the demonstration project will—

(i) result in the achievement of competencies;

(ii) differ from standard credit hour approaches, in whole or in part;

(iii) result in lower costs of a certificate or degree; and

(iv) result in shortened time to completion of a certificate or degree;

(E) a description of how each competency-based education program offered under the demonstration project will award academic credit to advance the progress of a student toward completion of a certificate or degree that is portable and used by in-demand employers for making employment decisions;

(F) a description of how each credit-bearing competency-based education program offered under the demonstration project is aligned with a career pathway;

(G) a description of the meaningful role of the appropriate instructors of the eligible entity in the development, design, implementation, delivery, and evaluation of each such competency-based education program;

(H) a description of how each such competency-based education program will provide strong post-enrollment job placement, earnings, and loan repayment outcomes;

(I) a description of how the eligible entity will facilitate transfer, postsecondary study, and employer understanding by articulating a competency-based transcript from a competency-based education program offered under the demonstration project to a credit hour transcript at another program at the eligible entity and to other institutions of higher education;

(J) a description of the statutory and regulatory requirements described in subsection (e) for which the eligible entity is seeking a waiver or other flexibility, and why such waiver or flexibility is necessary to carry out the demonstration project;

(K) a description of indicators of a program's effectiveness to inform how a third party will reliably assess student learning for each competency-based education program offered under the demonstration project;

(L) a description of how the eligible entity will develop and evaluate the competencies and assessments of student knowledge administered as part of the demonstration project, including whether there is a relationship between the competency unit and a traditional credit or clock hour, the average time it takes to earn a competency, how such competencies and assessments are aligned with workforce needs and any other considerations the institution made when it developed its unit of competency;

(M) a description of the proposal for determining a student's Federal student aid eligibility under this title for participating in the demonstration project, the award and distribution of such aid, and the safeguards to ensure that students are making satisfactory progress that warrants the disbursement of such aid;

(N) an assurance that the demonstration project at each eligible entity—

(i) will enroll a minimum of 25 students and a maximum of 3,000 students or, in the case of an eligible entity with an application amendment approved under paragraph (3)(B), the maximum enrollment approved under such paragraph;

(ii) will identify and disseminate best practices with respect to the demonstration project to the Secretary and to other eligible entities carrying out a demonstration project under this section;

(iii) operates under an agreement with the accrediting agency or association of the eligible entity to establish the standards described in subsection (c); and

(iv) uses available funds solely for purposes of awarding academic credit to eligible students based on the achievement of competencies and for the related costs or fees of demonstrating the achievement of competencies;

(O) a description of the population of students to whom competency-based education under the demonstration project will be offered, including demographic information and prior educational experience, disaggregated (as practicable) by students who are Federal Pell Grant recipients, students of color, Native students, students with disabilities, students who are veterans or members of the Armed Forces, adult learners, and first generation college students, and how such eligible entity will, when appropriate, address the specific needs of each such population of students when carrying out the demonstration project;

(P) a description of outreach and communication activities to students who may benefit under the demonstration project, including those described in subparagraph (O);

(Q) a description of how the institution is ensuring that students participating in the demonstration project will not, on average, be eligible for more or less Federal assistance under this title than such students would have been eligible for under a program measured in credit or clock hours;

(R) the cost of attendance for each competency-based education program offered under the demonstration project, disaggregated by each of the applicable costs or allowances described in paragraphs (1) through (13) of section 472, and the estimated amount of the cost of attendance of each such program to be covered by need-based grant aid and merit-based grant aid from Federal, State, institutional, and private sources;

(S) a description of other competency-based education programs the eligible entity offers or plans to offer outside of the demonstration project;

(T) a description of how the eligible entity will use data to—

(i) ensure that each competency-based education program under the demonstration project meets the benchmarks established in accordance with subsection (c)(2)(E);

(ii) confirm relevancy of competencies in the labor market; and

(iii) improve each such program; and

(U) other such elements as the Secretary may require.

(c) RECOGNITION BY ACCREDITING AGENCY OR ASSOCIATION.—Unless a program has already been recognized as a direct assessment program by the accrediting agency or association of the eligible entity, in order to carry out a competency-based education program under a demonstration project under this section, an eligible entity shall include in its application under subsection (b), a letter from the accrediting agency or association of the eligible entity that describes how it will establish and enforce the following standards with respect to such competency-based education program:

(1) Standards for determining whether the eligible entity or the program requires students to demonstrate competencies that are—

(A) capable of being validly and reliably assessed; and

(B) appropriate in scope and rigor for the award of the relevant certificate or degree.

(2) Standards for determining whether the eligible entity or the program demonstrate—

(A) the administrative capacity and expertise that will ensure—

(i) the validity and reliability of assessments of competencies; and

(ii) good practices in assessment and measurement;

(B) sufficient educational content, activities, and resources (including faculty support)—

(i) to enable students to learn or develop what is required to demonstrate or attain mastery of competencies; and

(ii) that are consistent with the qualifications of graduates of traditional programs;

(C) that the quality of demonstration of competence is judged at mastery for each competency that is assessed for the award of a certificate or degree;

(D) a standard for the amount of learning that is included in a unit of competency;

(E) reasonable, clear, and actionable benchmarks for graduation rates and the employment and earnings of graduates, including job placements in a field for which the program prepares students, debt-to-earnings ratios, loan repayment rates, and student satisfaction;

(F) regular evaluation of whether the program meets the benchmarks under subparagraph (E), and address what may be the cause with identified interventions; and

(G) that students may not receive a subsequent disbursement until they have completed the anticipated number of credits for the payment period.

(3) Standards for determining when to deny, withdraw, suspend, or terminate the accreditation of the program if the benchmarks under paragraph (2)(E) are not achieved after 4 consecutive title IV payment periods, including standards for providing sufficient opportunity—

(A) for the eligible entity or program to provide a written response regarding the failure to achieve such benchmarks be considered by the agency or association in the manner described in section 496(a)(6)(B); and

(B) for the eligible entity or program to appeal any adverse action under this subparagraph before an appeals panel that meets the requirements of section 496(a)(6)(C).

(d) SELECTION.—

(1) IN GENERAL.—Not later than 12 months after the date of enactment of the College Affordability Act, the Secretary shall select not more than 100 eligible entities to carry out a demonstration project under this section under which at least 1 competency-based education program is offered at each eligible entity.

(2) CONSIDERATIONS.—In selecting eligible entities under paragraph (1), the Secretary shall—

(A) consider the number and quality of applications received;

(B) consider an eligible entity's—

(i) ability to successfully execute the demonstration project as described in the eligible entity's application under subsection (b);

(ii) commitment and ability to effectively finance the demonstration project;

(iii) ability to provide administrative capability and the expertise to evaluate student progress based on measures other than credit hours or clock hours;

(iv) history of compliance with the requirements of this Act;

(v) commitment to work with the Director and the Secretary to evaluate the demonstration project and the impact of the demonstration project under subsection (g)(2);

(vi) commitment and ability to assess student learning through a third party;

(vii) commitment of the accrediting agency or association of the eligible entity to establish and enforce the standards described in subsection (c); and

(viii) commitment to collaboration with an employer advisory group or specific employers to determine how the demonstration project will meet employer needs;

(C) ensure the selection of a diverse group of eligible entities with respect to size, mission, student population, and geographic distribution;

(D) not limit the types of programs of study or courses of study approved for participation in a demonstration project; and

(E) not select an eligible entity—

(i) that, for 1 of the preceding 2 fiscal years—

(I) had an adjusted cohort default rate (defined in section 435(m)) that is 20 percent or greater;

(II) failed to meet the requirement under section 487(a)(24); or

(III) was—

(aa) under probation or an equivalent status from the accrediting agency or association of the eligible entity;

(bb) under sanction from the authorization agency of the State in which the eligible entity is located; or

(cc) under public investigation or facing a pending lawsuit from a State or Federal agency;

(ii) if the Department has concerns with the entity's compliance based on program reviews or audits; or

(iii) if the eligible entity fails to meet the financial responsibility standards prescribed by the Secretary in accordance with section 498(c) or is placed on a reimbursement payment method by the Secretary.

(e) WAIVERS AND OTHER FLEXIBILITY.—

(1) IN GENERAL.—With respect to any eligible entity selected to carry out a demonstration project under this section, the Secretary may—

(A) waive any requirements of the provisions of law (including any regulations promulgated under such provisions) listed in paragraph (2) for which the eligible entity has provided a reason for waiving under subsection (b)(4)(J); or

(B) provide other flexibility, but not waive, any requirements of the provisions of law (including any regulations promulgated under such provisions) listed in paragraph (3) for which the eligible entity has provided a reason with which the Secretary agrees for such flexibility under subsection (b)(4)(J).

(2) PROVISIONS ELIGIBLE FOR WAIVERS.—The Secretary may waive the following under paragraph (1)(A):

(A) Subparagraphs (A) and (B) of section 102(a)(3).

(B) Section 484(l)(1).

(3) PROVISIONS ELIGIBLE FOR FLEXIBILITY.—The Secretary may provide the flexibility described in paragraph (1)(B) with respect to the requirements under provisions in title I, part F of this title, or this part, that inhibit the operation of a competency-based education program, relating to the following:

(A) Documenting attendance.

(B) Weekly academic activity.

(C) Minimum weeks of instructional time.

(D) Requirements for credit hour or clock hour equivalencies if an institution proposes a measure clearly defined in its application that accounts for the academic intensity of study.

(E) Requirements for regular and substantive interaction with the instructor.

(F) Definitions of the terms "academic year", "full-time student", "part-time student", "term" (including "standard term", "non-term", and "non-standard term"), "satisfactory academic progress", "educational activity", "program of study", and "payment period".

(G) Methods of disbursing student financial aid by institutions of higher education selected, as of the date of enact-

ment of the College Affordability Act, as experimental sites under section 487A to carry out competency-based education programs.

(H) Restrictions regarding concurrent student enrollment in Direct Assessment and non-Direct Assessment programs.

(4) MEASUREMENT OF ACTIVITY OR ACADEMIC WORK.—An institution granted flexibility under paragraph (3) related to requirements for credit hour or clock hour equivalencies shall include a measurement of activity or academic "work" by students as considered comparable to the standard practice for measuring credit or clock hours for these areas.

(f) NOTIFICATION.—Not later than 9 months after the date of enactment of the College Affordability Act, the Secretary shall make available to the authorizing committees and the public a list of eligible entities selected to carry out a demonstration project under this section, which shall include for each such eligible entity—

(1) the specific waiver or other flexibility from statutory or regulatory requirements offered under subsection (e); and

(2) a description of the competency-based education programs, and its associated accreditation standards, to be offered under the project.

(g) INFORMATION AND EVALUATION.—

(1) INFORMATION.—

(A) STUDENT-LEVEL DATA.—Each eligible entity that carries out a demonstration project under this section shall provide to the Director the student-level data for the students enrolled in a program described in subparagraph (C)(i)(I), the student-level data for the students enrolled in a program described in subparagraph (C)(i)(II), and the student-level data for students enrolled in a program described in subparagraph (C)(i)(III) to enable the Director—

(i) to determine the aggregate information described in subparagraph (B) with respect to each such program; and

(ii) to the extent practicable, to compare the programs using a rigorous evaluation, such as propensity score matching.

(B) AGGREGATE INFORMATION.—For purposes of the evaluation under paragraph (2), the Director shall use the student-level data provided under subparagraph (A) by an eligible entity to determine the following information with respect to each program described in subparagraph (C)(i) offered at such eligible entity:

(i) The average number of credit hours students earned prior to enrollment in the program, if applicable.

(ii) The number and percentage of students enrolled in a competency-based education program that are also enrolled in programs of study or courses of study offered in credit hours or clock hours, disaggregated by student status as a first-year, second-year, third-year, fourth-year, or other student.

(iii) The average period of time between the enrollment of a student in the program and the first assessment of student knowledge of such student.

(iv) The average time to 25 percent, 50 percent, 75 percent, 100 percent, 150 percent, and 200 percent completion of a certificate or degree.

(v) The number and percentage of students who begin in a certain cohort and complete a certificate or degree.

(vi) The number and percentage of students who begin in a certain cohort and withdraw without completing a certificate or degree.

(vii) The number and percentage of students who begin in a certain cohort who reach 25 percent, 50 percent, 75 percent, and 100 percent completion of a certificate or degree.

(viii) The number and percentage of students who begin in a certain cohort who re-enroll in a second period.

(ix) The median number of competencies completed per period.

(x) The average number of attempts it takes students to pass all assessments of student knowledge during the period of enrollment in the program.

(xi) The percentage of summative assessments of student competence that students passed on the first attempt during the period of enrollment in the program.

(xii) The percentage of summative assessments of student competence that students passed on the second attempt and the average period of time between the first and second attempts during the period of enrollment in the program.

(xiii) The average number of competencies a student acquired and demonstrated while enrolled in a program and the period of time during which the student acquired such competencies.

(xiv) The number and percentage of students completing the program who find employment that lasts not less than 6 months within 6 months of graduation, disaggregated by number and percentage of such students finding employment in a field related to the program.

(xv) Student job placement rates 1, 2, and 3 years after graduating from the program, if available.

(xvi) The median student earnings 1, 2, and 3 years after graduating from the program, if available.

(xvii) The number and percentage of students completing the program who continue their education.

(xviii) Such other information as the Director may reasonably require.

(C) DISAGGREGATION.—The information determined under subparagraph (B) shall be disaggregated as follows, provided that the disaggregation of the information does not identify any individual student:

(i) For each eligible entity that carries out a demonstration project under this section, disaggregation by—

(I) the students enrolled in each competency-based education program under the project;

(II) the students enrolled in each competency-based education program not being carried out under the project, if the eligible entity has a competency-based education program not being carried out under the project; and

(III) the students enrolled in a program not described in subclause (I) or (II).

(ii) For each group of students described in clause (i), disaggregation by prior postsecondary experience, age group, race, gender, disability status, students who are Veterans or servicemembers, first generation college students, full-time and part-time enrollment, and status as a recipient of a Federal Pell Grant.

(D) COUNCIL.—The Director shall provide to the Competency-Based Education Council any information described in subparagraph (A) or (B) (other than personally identifiable information) that may be necessary for the Council to carry out its duties under section 4616(e) of the College Affordability Act.

(2) EVALUATION.—

(A) IN GENERAL.—The Director, in consultation with the Secretary and using the information determined under paragraph (1), shall annually evaluate each eligible entity carrying out a demonstration project under this section. Each evaluation shall be disaggregated in accordance with subparagraph (B) and include—

(i) the extent to which the eligible entity has met the elements of its application under subsection (b)(4);

(ii) whether the demonstration project led to reduced cost, including as reflected by median debt levels, or time to completion of a certificate or degree, and the amount of cost or time reduced for such completion;

(iii) obstacles related to student financial assistance for competency-based education;

(iv) the extent to which statutory or regulatory requirements not waived or for which flexibility is not provided under subsection (e) presented difficulties or unintended consequences for students or eligible entities;

(v) a description of the waivers or flexibility provided under subsection (e) that were most beneficial to students or eligible entities, and an explanation of such benefits;

(vi) the percentage of students who received each of the following—

(I) a grant under this title;
(II) a loan under this title;
(III) a State grant;
(IV) a State loan;
(V) an institutional grant;
(VI) an institutional loan;
(VII) a private loan; and
(VIII) an employer grant or subsidy;

(vii) median annual total cost and net cost to the student of the program;

(viii) median total cost and net cost of the credential and associated examination or licensure calculated upon completion;

(ix) median outstanding balance of principal and interest on loans made under this title that students have upon graduation;

(x) the median 3-year adjusted cohort default rate as defined under section 435(m);

(xi) the median 1-year and 3-year repayment rate of loans made under this title;

(xii) the median student earnings 1, 3, and 4 years after graduation;

(xiii) a description of the curricular infrastructure, including assessments of student knowledge and the corresponding competencies;

(xiv) a description of the role of faculty and faculty involvement; and

(xv) outcomes of the assessments of student competency.

(B) DISAGGREGATION.—The data collected under clauses (vi) through (xii) shall be disaggregated by each group of students described in paragraph (1)(C).

(3) ANNUAL REPORT.—The Director, in consultation with the Secretary, shall annually provide to the authorizing committees a report on—

(A) the evaluations required under paragraph (2);

(B) the number and types of students receiving assistance under this title for competency-based education programs offered under projects under this section;

(C) any proposed statutory or regulatory changes designed to support and enhance the expansion of competency-based education programs, which may be independent of or combined with traditional credit hour or clock hour projects;

(D) the most effective means of delivering competency-based education programs through projects under this section; and

(E) the appropriate level and distribution methodology of Federal assistance under this title for students enrolled in a competency-based education program.

(h) COORDINATION.—An eligible entity or the Director shall consult with the Secretary of Education or the Secretary of the Treasury to obtain the employment, earnings, and loan information that may be necessary for purposes of subsection (c)(2)(F) or subsection (g), respectively.

(i) OVERSIGHT.—In carrying out this section, the Secretary shall, at least twice annually—

(1) assure compliance of eligible entities with the requirements of this title (other than the provisions of law and regulations that are waived under subsection (e));

(2) provide technical assistance;

(3) monitor fluctuations in the student population enrolled in the eligible entities carrying out the demonstration projects under this section;

(4) consult with appropriate accrediting agencies or associations and appropriate State regulatory authorities for additional ways of improving the delivery of competency-based education programs; and

(5) collect and disseminate to eligible entities carrying out a demonstration project under this section, best practices with respect to such projects.

(j) DATA PRIVACY.—

(1) IN GENERAL.—It shall be unlawful for any person who obtains or has access to personally identifiable information pursuant to this section to knowingly disclose to any person (except as authorized in this section or any Federal law) such personally identifiable information.

(2) PENALTY.—Any person who violates paragraph (1) shall be fined under title 18, United States Code.

(3) OFFICER OR EMPLOYEE OF THE UNITED STATES.—If any officer or employee of the United States violates paragraph (1), the officer or employee shall be dismissed from office or discharged from employment upon conviction for the violation.

(4) LAW ENFORCEMENT.—Personally identifiable information collected under this section shall not be used for any law enforcement activity or any other activity that would result in adverse action against any student, including debt collection activity or enforcement of the immigration laws.

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 to the Department to carry out the project under this section.

(l) DEFINITIONS.—For the purpose of this section:

(1) CAREER PATHWAY.—The term "career pathway" has the meaning given the term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(2) COMPETENCY.—The term "competency" means the knowledge, skill, and abilities demonstrated for a particular program of study.

(3) COMPETENCY-BASED EDUCATION PROGRAM.—The term "competency-based education program" means a postsecondary program that provides competency-based education for which the accrediting agency or association of the institution of higher education offering such program has established or will establish the standards described in subsection (c) and, in accordance with such standards—

(A) measures academic progress and credential attainment by the assessment of student learning in lieu of, or in addition to, credit or clock hours;

(B) measures and assesses such academic progress and attainment in terms of a student's mastery of competencies by identifying what students know and the skills mastered through rigorous assessment;

(C) determines and reports to the Secretary the number of credit or clock hours that would be needed for the attainment of a similar level of knowledge, skills, and characteristics in a standard credit or clock hour program;

(D) provides the educational content, activities, support, and resources necessary to enable students to develop and attain the competencies that are required to demonstrate mastery of such competencies, including a system for monitoring a student's engagement and progress in each competency, in which faculty are responsible for providing proactive academic assistance, when needed, on the basis of such monitoring;

(E) upon a student's demonstration or mastery of a set of competencies identified and required by the institution, leads to or results in the awarding of a certificate or degree;

(F) ensures that funds received under this title may be used only for learning that results from instruction provided or overseen by the institution and not for the portion of the program of which the student has demonstrated mastery prior to enrollment in the program or tests of learning that are not associated with educational activities overseen by the institution;

(G) is organized in a manner that an institution can determine, based on the method of measurement selected by the institution, and approved by the accreditor as described in subsection (c), what constitutes a full-time, three-quarter time, half-time, and less than half-time workload for the purposes of awarding and administering assistance under this title, or assistance provided under another provision of Federal law to attend an institution of higher education; and

(H) may use a disaggregated faculty model in which the educational responsibilities for an academic course are divided among a number of individuals, each performing specific tasks essential to instruction, including curriculum design, content delivery, and student assessment.

(4) DIRECTOR.—The term "Director" means the Director of the Institute of Education Sciences.

(5) DUAL OR CONCURRENT ENROLLMENT PROGRAM.—The term "dual or concurrent enrollment program" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(6) ELIGIBLE ENTITY.—The term "eligible entity" means an institution of higher education, which may be an institution of higher education that offers a dual or concurrent enrollment program.

(7) FIRST GENERATION COLLEGE STUDENT.—The term "first generation college student" has the meaning given the term in section 402A(h)(3).

(8) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 102, except that such term does not include institutions described in section 102(a)(1)(C).

SEC. 486D. WRITTEN ARRANGEMENTS TO PROVIDE EDUCATIONAL PROGRAMS.

(a) WRITTEN ARRANGEMENTS BETWEEN ELIGIBLE INSTITUTIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), if an eligible institution enters into a written arrangement with another eligible institution, or with a consortium of eligible insti-

tutions, under which the other eligible institution or consortium provides part of the educational program to students enrolled in the first institution, the Secretary shall consider that educational program to be an eligible program if the educational program offered by the institution that grants the degree or certificate otherwise satisfies the requirements for eligibility under this title.

(2) COMMON OWNERSHIP OR CONTROL.—If the written arrangement described in paragraph (1) is between two or more eligible institutions that are owned or controlled by the same individual, partnership, or corporation, the Secretary shall consider the educational program to be an eligible program if—

(A) the educational program offered by the institution that grants the degree or certificate otherwise satisfies the requirements for eligibility under this title; and

(B) the institution that grants the degree or certificate provides more than 50 percent of the educational program.

(b) WRITTEN ARRANGEMENTS FOR STUDY-ABROAD.—Under a study abroad program, if an eligible institution enters into a written arrangement under which an institution in another country, or an organization acting on behalf of an institution in another country, provides part of the educational program of students enrolled in the eligible institution, the Secretary considers that educational program to be an eligible program if it otherwise satisfies the requirements of paragraphs (1) through (3) of subsection (c).

(c) WRITTEN ARRANGEMENTS BETWEEN AN ELIGIBLE INSTITUTION AND AN INELIGIBLE INSTITUTION OR ORGANIZATION.—If an eligible institution enters into a written arrangement with an institution or organization that is not an eligible institution under which the ineligible institution or organization provides part of the educational program of students enrolled in the eligible institution, the Secretary shall consider that educational program to be an eligible program if—

(1) the ineligible institution or organization has not—

(A) had its eligibility to participate in the programs under this title terminated by the Secretary;

(B) voluntarily withdrawn from participation programs under this title under a termination, show-cause, suspension, or similar type proceeding initiated by the institution's State licensing agency, accrediting agency, guarantor, or by the Secretary;

(C) had its certification to participate in programs under this title revoked by the Secretary;

(D) had its application for re-certification to participate in programs under this title denied by the Secretary; or

(E) had its application for certification to participate in programs under this title denied by the Secretary;

(2) the ineligible institution or organization does not have any role in the admission of students into the educational program;

(3) the educational program offered by the institution that grants the degree or certificate otherwise satisfies the requirements for eligibility under this title; and

(4)(A) the ineligible institution or organization provides 25 percent or less of the educational program; or

(B)(i) the ineligible institution or organization provides more than 25 percent but less than 50 percent of the educational program;

(ii) the eligible institution and the ineligible institution or organization are not owned or controlled by the same individual, partnership, or corporation;

(iii) the eligible institution's accrediting agency, or if the institution is a public postsecondary vocational educational institution, the State agency determined by the Secretary to be a reliable authority as to the quality of public postsecondary vocational education pursuant to section 487(c)(4), has specifically determined that the institution's arrangement meets the agency's standards for the contracting out of educational services; and

(iv) the eligible institution provides to the Secretary the institution's expenditures on instruction, student services, marketing, recruitment, advertising, and lobbying made available under section 132(i)(1)(AA) with respect to the portion of the educational program covered by the written arrangement.

(d) ADMINISTRATION OF TITLE IV PROGRAMS.—

(1) IN GENERAL.—If an institution enters into a written arrangement as described in subsection (a), subsection (b), or subsection (c), except as provided in paragraph (2), the institution at which the student is enrolled as a regular student shall determine the student's eligibility for funds under this title, and shall calculate and disburse those funds to that student.

(2) SPECIAL RULE FOR ARRANGEMENTS BETWEEN ELIGIBLE INSTITUTIONS.—In the case of a written arrangement between eligible institutions, the institutions may agree in writing to have any eligible institution in the written arrangement calculate and disburse funds under this title to the student and the Secretary shall not consider that institution to be a third party servicer for that arrangement.

(3) CALCULATION AND DISBURSEMENT.—The institution that calculates and disburses a student's funds under paragraph (1) or paragraph (2) must—

(A) take into account all the hours in which the student enrolls at each institution that apply to the student's degree or certificate when determining the student's enrollment status and cost of attendance; and

(B) maintain all records regarding the student's eligibility for and receipt of funds under this title.

(e) INFORMATION MADE AVAILABLE TO STUDENTS.—If an institution enters into a written arrangement described in subsection (a), subsection (b), or subsection (c), the institution shall provide directly to enrolled and prospective students, and make available on a publicly accessible website of the institution, a description of written arrangements the institution has entered into in accordance with this section, including information on—

(1) the portion of the educational program that the institution that grants the degree or certificate is not providing;

(2) the name and location of the other institutions or organizations that are providing the portion of the educational program that the institution that grants the degree or certificate is not providing;

(3) the method of delivery of the portion of the educational program that the institution that grants the degree or certificate is not providing; and

(4) estimated additional costs students may incur as the result of enrolling in an educational program that is provided, in part, under the written arrangement.

SEC. 487. PROGRAM PARTICIPATION AGREEMENTS.

(a) REQUIRED FOR PROGRAMS OF ASSISTANCE; CONTENTS.—In order to be an eligible institution for the purposes of any program authorized under this title, an institution must be an institution of higher education or an eligible institution (as that term is defined for the purpose of that program) and shall, except with respect to a program under subpart 4 of part A, enter into a program participation agreement with the Secretary. The agreement shall condition the initial and continuing eligibility of an institution to participate in a program upon compliance with the following requirements:

(1) The institution will use funds received by it for any program under this title and any interest or other earnings thereon solely for the purpose specified in and in accordance with the provision of that program.

(2) The institution shall not charge any student a fee for processing or handling any application, form, or data required to determine the student's eligibility for assistance under this title or the amount of such assistance.

(3) The institution will establish and maintain such administrative and fiscal procedures and records as may be necessary to ensure proper and efficient administration of funds received from the Secretary or from students under this title, together with assurances that the institution will provide, upon request and in a timely fashion, information relating to the administrative capability and financial responsibility of the institution to—

(A) the Secretary;

(B) the appropriate guaranty agency; and

(C) the appropriate accrediting agency or association.

(4) The institution will comply with the provisions of subsection (c) of this section and the regulations prescribed under that subsection, relating to fiscal eligibility.

(5) The institution will submit reports to the Secretary and, in the case of an institution participating in a program under part B or part E, to holders of loans made to the institution's students under such parts at such times and containing such information as the Secretary may reasonably require to carry out the purpose of this title.

(6) The institution will not provide any student with any statement or certification to any lender under part B that qualifies the student for a loan or loans in excess of the amount that student is eligible to borrow in accordance with sections 425(a), 428(a)(2), and 428(b)(1) (A) and (B).

(7) The institution will comply with the requirements of section 485.

(8) In the case of an institution that advertises job placement rates as a means of attracting students to enroll in the institution, the institution will make available to prospective stu-

dents, at or before the time of application (A) the most recent available data concerning employment statistics, graduation statistics, and any other information necessary to substantiate the truthfulness of the advertisements, and (B) relevant State licensing requirements of the State in which such institution is located for any job for which the course of instruction is designed to prepare such prospective students.

(9) In the case of an institution participating in a program under part B or D, the institution will inform all eligible borrowers enrolled in the institution about the availability and eligibility of such borrowers for State grant assistance from the State in which the institution is located, and will inform such borrowers from another State of the source for further information concerning such assistance from that State.

(10) The institution certifies that it has in operation [a drug abuse prevention program] *an alcohol and substance misuse prevention program in accordance with section 120* that is determined by the institution to be accessible to any officer, employee, or student at the institution.

(11) In the case of any institution whose students receive financial assistance pursuant to section 484(d), the institution will make available to such students a program proven successful in assisting students in obtaining a certificate of high school equivalency.

(12) The institution certifies that—

(A) the institution has established a campus security policy; and

(B) the institution has complied with the disclosure requirements of section 485(f).

(13) The institution will not deny any form of Federal financial aid to any student who meets the eligibility requirements of this title on the grounds that the student is participating in a program of study abroad approved for credit by the institution.

(14)(A) The institution, in order to participate as an eligible institution under part B or D, will develop a Default Management Plan for approval by the Secretary as part of its initial application for certification as an eligible institution and will implement such Plan for two years thereafter.

(B) Any institution of higher education which changes ownership and any eligible institution which changes its status as a parent or subordinate institution shall, in order to participate as an eligible institution under part B or D, develop a Default Management Plan for approval by the Secretary and implement such Plan for two years after its change of ownership or status.

(C) This paragraph shall not apply in the case of an institution in which (i) neither the parent nor the subordinate institution has a cohort default rate in excess of 10 percent, and (ii) the new owner of such parent or subordinate institution does not, and has not, owned any other institution with a cohort default rate in excess of 10 percent.

(D) Beginning on the date on which the final adjusted cohort default rates are published by the Secretary for fiscal year 2018 under section 435(m), subparagraph (C) shall be applied by

substituting "adjusted cohort default rate in excess of 5 percent" for "cohort default rate in excess of 10 percent" each place it appears.

(15) The institution acknowledges the authority of the Secretary, guaranty agencies, lenders, accrediting agencies, the Secretary of Veterans Affairs, and the State agencies under subpart 1 of part H to share with each other any information pertaining to the institution's eligibility to participate in programs under this title or any information on fraud and abuse.

(16)(A) The institution will not knowingly employ an individual in a capacity that involves the administration of programs under this title, or the receipt of program funds under this title, who has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under this title, or has been judicially determined to have committed fraud involving funds under this title or contract with an institution or third party servicer that has been terminated under section 432 involving the acquisition, use, or expenditure of funds under this title, or who has been judicially determined to have committed fraud involving funds under this title.

(B) The institution will not knowingly contract with or employ any individual, agency, or organization that has been, or whose officers or employees have been—

(i) convicted of, or pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under this title; or

(ii) judicially determined to have committed fraud involving funds under this title.

[(17) The institution will complete surveys conducted as a part of the Integrated Postsecondary Education Data System (IPEDS) or any other Federal postsecondary institution data collection effort, as designated by the Secretary, in a timely manner and to the satisfaction of the Secretary.**]**

(17) The institution of higher education (or the assigned agent of such institution) shall collect and submit data to the Commissioner for Education Statistics in a timely manner in accordance with—

(A) section 132(l);

(B) nonstudent-related surveys within the Integrated Postsecondary Education Data System (IPEDS); and

(C) any other Federal postsecondary data collection effort.

(18) The institution will meet the requirements established pursuant to section 485(g).

(19) **[**The institution will not**]** *The institution—*

(A) will not impose any penalty, including the assessment of late fees, the denial of access to classes, libraries, *housing facilities,* or other institutional facilities, or the requirement that the student borrow additional funds, on any student because of the student's inability to meet his or her financial obligations to the institution as a result of the delayed disbursement of the proceeds of a loan made under this title due to compliance with the provisions of this title, or delays attributable to the **[**institution.**]** *institution; and*

(B) will provide a means for students to access institutionally owned or operated housing if a student is temporarily unable to meet financial obligations related to housing, including deposits, due to delayed disbursement of vouchers for education and training made available under section 477 of part E of title IV of the Social Security Act or delays attributable to the institution.

(20) The institution will not provide any commission, bonus, or other incentive payment based directly or indirectly on success in securing enrollments or financial aid to any persons or entities engaged in any student recruiting or admission activities or in making decisions regarding the award of student financial assistance, except that this paragraph shall not apply to the recruitment of foreign students residing in foreign countries who are not eligible to receive Federal student assistance.

(21) The institution will meet the requirements established by the Secretary and accrediting agencies or associations, and will provide evidence to the Secretary that the institution has the authority to operate within a State.

(22) The institution will comply with the refund policy established pursuant to section 484B.

(23)(A) The institution[, if located in a State to which section 4(b) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–2(b)) does not apply,] will make a good faith effort to distribute a mail voter registration form, requested and received from the State, to each student enrolled in a degree or certificate program and physically in attendance at the institution, and to make such forms widely available to students at the institution.

(B) The institution shall request the forms from the State 120 days prior to the deadline for registering to vote within the State. If an institution has not received a sufficient quantity of forms to fulfill this section from the State within 60 days prior to the deadline for registering to vote in the State, the institution shall not be held liable for not meeting the requirements of this section during that election year.

(C) This paragraph shall apply to general and special elections for Federal office, as defined in section 301(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(3)), and to the elections for Governor or other chief executive within such State).

(D) The institution shall be considered in compliance with the requirements of subparagraph (A) for each student to whom the institution electronically transmits a message containing a voter registration form acceptable for use in the State in which the institution is located, or an Internet address where such a form can be downloaded, if such information is in an electronic message devoted exclusively to voter registration.

(24) In the case of a proprietary institution of higher education (as defined in section 102(b)), such institution will derive [not less than ten percent of such institution's revenues from sources other than funds provided under this title] *not less than 15 percent of such institution's revenues from sources other than Federal education assistance funds*, as calculated in

accordance with subsection (d)(1), or will be subject to the sanctions described in subsection (d)(2).[Effective on July 1, 2022, section 4618(f)(1)(A) of H.R. 4674 (as reported) provides for an amendment to paragraph (24) of section 487(a) of the Higher Education Act of 1965 by striking and inserting text which is shown above. Effective on July 1, 2023, section 4618(f)(2)(A) of H.R. 4674 (as reported) provides for an amendment to repeal paragraph (24). Below is a version of paragraph (24), as so amended and in effect prior to July 1, 2023, showing its repeal.]

[(24) In the case of a proprietary institution of higher education (as defined in section 102(b)), such institution will derive not less than 15 percent of such institution's revenues from sources other than Federal education assistance funds, as calculated in accordance with subsection (d)(1), or will be subject to the sanctions described in subsection (d)(2).**]**

(25) In the case of an institution that participates in a loan program under this title, the institution will—

(A) develop a code of conduct with respect to such loans with which the institution's officers, employees, and agents shall comply, that—

(i) prohibits a conflict of interest with the responsibilities of an officer, employee, or agent of an institution with respect to such loans; and

(ii) at a minimum, includes the provisions described in subsection (e);

(B) publish such code of conduct prominently on the institution's website; and

(C) administer and enforce such code by, at a minimum, requiring that all of the institution's officers, employees, and agents with responsibilities with respect to such loans be annually informed of the provisions of the code of conduct.

(26) The institution will, upon written request, disclose to the alleged victim of any crime of violence (as that term is defined in section 16 of title 18, United States Code), or a nonforcible sex offense, the report on the results of any disciplinary proceeding conducted by such institution against a student who is the alleged perpetrator of such crime or offense with respect to such crime or offense. If the alleged victim of such crime or offense is deceased as a result of such crime or offense, the next of kin of such victim shall be treated as the alleged victim for purposes of this paragraph.

(27) In the case of an institution that has entered into a preferred lender arrangement, the institution will at least annually compile, maintain, and make available for students attending the institution, and the families of such students, a list, in print or other medium, of the specific lenders for loans made, insured, or guaranteed under this title or private education loans that the institution recommends, promotes, or endorses in accordance with such preferred lender arrangement. In making such list, the institution shall comply with the requirements of subsection (h).

(28)(A) The institution will, upon the request of an applicant for a private education loan, provide to the applicant the form

required under section 128(e)(3) of the Truth in Lending Act (15 U.S.C. 1638(e)(3)), and the information required to complete such form, to the extent the institution possesses such information.

(B) For purposes of this paragraph, the term "private education loan" has the meaning given such term in section 140 of the Truth in Lending Act.

(29) The institution certifies that the institution—

(A) has developed plans to effectively combat the unauthorized distribution of copyrighted material, including through the use of a variety of technology-based deterrents; and

(B) will, to the extent practicable, offer alternatives to illegal downloading or peer-to-peer distribution of intellectual property, as determined by the institution in consultation with the chief technology officer or other designated officer of the institution.

(30) In the case of an institution that enters into a written arrangement with an organization or another institution to provide part of an educational program, the institution will comply with the applicable requirements of section 486D.

(31) The institution will—

(A) designate at least one employee to coordinate compliance with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), including any investigation of any complaint alleging—

(i) noncompliance with such title; and

(ii) any actions prohibited by such title;

(B) annually submit a report to the Secretary that includes all complaints described in subparagraph (A) with respect to such institution;

(C) make the report under subparagraph (B) publicly available on the internet website of the institution; and

(D) notify students and employees of—

(i) the name, office address, and telephone number of each employee designated under subparagraph (A);

(ii) the report under subparagraph (B);

(iii) the enforcement policies of the institution with respect to such title; and

(iv) the procedure for reporting and investigating complaints under such title.

(32) The institution will submit, for inclusion in the postsecondary student data system established under section 132(l), the Integrated Postsecondary Education Data System of the Department, or any other Federal postsecondary institution data collection effort, key data related to undergraduate and graduate students enrolled at the institution who are formally registered as students with disabilities with the institution's office of accessibility, including the total number of students with disabilities enrolled, the number of students accessing or receiving accommodation, the percentage of students with disabilities of all undergraduate students, and the total number of undergraduate certificates or degrees awarded to students with disabilities. An institution shall not be required to submit the information described in the preceding sentence if the number of

such students would reveal personally identifiable information about an individual student.

(33) The institution will provide students with an educational program on hazing (as that term is defined in section 485(f)(6)(A)(vii)), which shall include information on hazing awareness, hazing prevention, and the institution's policies on hazing.

(34)(A) The institution will not prohibit a student from accessing the student's transcripts, degree scrolls, or other certifications of coursework or educational attainments at the institution because the student is in default on the repayment of a loan made, insured, or guaranteed under this title.

(B) For purposes of this paragraph, the term "student" includes former students.

(35) No agreement between the institution and any student will contain any limitation or restriction (including a limitation or restriction on any available choice of applicable law, a jury trial, or venue) on the ability of the student to pursue a claim, individually or with others, against an institution in court.

(b) HEARINGS.—(1) An institution that has received written notice of a final audit or program review determination and that desires to have such determination reviewed by the Secretary shall submit to the Secretary a written request for review not later than 45 days after receipt of notification of the final audit or program review determination.

(2) The Secretary shall, upon receipt of written notice under paragraph (1), arrange for a hearing and notify the institution within 30 days of receipt of such notice the date, time, and place of such hearing. Such hearing shall take place not later than 120 days from the date upon which the Secretary notifies the institution.

(c) AUDITS; FINANCIAL RESPONSIBILITY; ENFORCEMENT OF STANDARDS.—(1) Notwithstanding any other provisions of this title, the Secretary shall prescribe such regulations as may be necessary to provide for—

(A)(i) except as provided in clauses (ii) and (iii), a financial audit of an eligible institution with regard to the financial condition of the institution in its entirety, and a compliance audit of such institution with regard to any funds obtained by it under this title or obtained from a student or a parent who has a loan insured or guaranteed by the Secretary under this title, on at least an annual basis and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary and shall be available to cognizant guaranty agencies, eligible lenders, State agencies, and the appropriate State agency notifying the Secretary under subpart 1 of part H, except that the Secretary may modify the requirements of this clause with respect to institutions of higher education that are foreign institutions, and may waive such requirements with respect to a foreign institution whose students receive less

than $500,000 in loans under this title during the award year preceding the audit period;

(ii) with regard to an eligible institution which is audited under chapter 75 of title 31, United States Code, deeming such audit to satisfy the requirements of clause (i) for the period covered by such audit; or

(iii) at the discretion of the Secretary, with regard to an eligible institution (other than an eligible institution described in section 102(a)(1)(C)) that has obtained less than $200,000 in funds under this title during each of the 2 award years that precede the audit period and submits a letter of credit payable to the Secretary equal to not less than ½ of the annual potential liabilities of such institution as determined by the Secretary, deeming an audit conducted every 3 years to satisfy the requirements of clause (i), except for the award year immediately preceding renewal of the institution's eligibility under section 498(g);

(B) in matters not governed by specific program provisions, the establishment of reasonable standards of financial responsibility and appropriate institutional capability for the administration by an eligible institution of a program of student financial aid under this title, including any matter the Secretary deems necessary to the sound administration of the financial aid programs, such as the pertinent actions of any owner, shareholder, or person exercising control over an eligible institution;

(C)(i) except as provided in clause (ii), a compliance audit of a third party servicer (other than with respect to the servicer's functions as a lender if such functions are otherwise audited under this part and such audits meet the requirements of this clause), with regard to any contract with an eligible institution, guaranty agency, or lender for administering or servicing any aspect of the student assistance programs under this title, at least once every year and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary; or

(ii) with regard to a third party servicer that is audited under chapter 75 of title 31, United States Code, such audit shall be deemed to satisfy the requirements of clause (i) for the period covered by such audit;

(D)(i) a compliance audit of a secondary market with regard to its transactions involving, and its servicing and collection of, loans made under this title, at least once a year and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary; or

(ii) with regard to a secondary market that is audited under chapter 75 of title 31, United States Code, such audit shall be

deemed to satisfy the requirements of clause (i) for the period covered by the audit;

(E) the establishment, by each eligible institution under part B responsible for furnishing to the lender the statement required by section 428(a)(2)(A)(i), of policies and procedures by which the latest known address and enrollment status of any student who has had a loan insured under this part and who has either formally terminated his enrollment, or failed to reenroll on at least a half-time basis, at such institution, shall be furnished either to the holder (or if unknown, the insurer) of the note, not later than 60 days after such termination or failure to re-enroll;

(F) the limitation, suspension, or termination of the participation in any program under this title of an eligible institution, or the imposition of a civil penalty under paragraph (3)(B) whenever the Secretary has determined, after reasonable notice and opportunity for hearing, that such institution has violated or failed to carry out any provision of this title, any regulation prescribed under this title, or any applicable special arrangement, agreement, or limitation, except that no period of suspension under this section shall exceed 60 days unless the institution and the Secretary agree to an extension or unless limitation or termination proceedings are initiated by the Secretary within that period of time;

(G) an emergency action against an institution, under which the Secretary shall, effective on the date on which a notice and statement of the basis of the action is mailed to the institution (by registered mail, return receipt requested), withhold funds from the institution or its students and withdraw the institution's authority to obligate funds under any program under this title, if the Secretary—

(i) receives information, determined by the Secretary to be reliable, that the institution is violating any provision of this title, any regulation prescribed under this title, or any applicable special arrangement, agreement, or limitation,

(ii) determines that immediate action is necessary to prevent misuse of Federal funds, and

(iii) determines that the likelihood of loss outweighs the importance of the procedures prescribed under subparagraph (D) for limitation, suspension, or termination,

except that an emergency action shall not exceed 30 days unless limitation, suspension, or termination proceedings are initiated by the Secretary against the institution within that period of time, and except that the Secretary shall provide the institution an opportunity to show cause, if it so requests, that the emergency action is unwarranted;

(H) the limitation, suspension, or termination of the eligibility of a third party servicer to contract with any institution to administer any aspect of an institution's student assistance program under this title, or the imposition of a civil penalty under paragraph (3)(B), whenever the Secretary has determined, after reasonable notice and opportunity for a hearing, that such organization, acting on behalf of an institution, has violated or failed to carry out any provision of this title, any

regulation prescribed under this title, or any applicable special arrangement, agreement, or limitation, except that no period of suspension under this subparagraph shall exceed 60 days unless the organization and the Secretary agree to an extension, or unless limitation or termination proceedings are initiated by the Secretary against the individual or organization within that period of time; and

(I) an emergency action against a third party servicer that has contracted with an institution to administer any aspect of the institution's student assistance program under this title, under which the Secretary shall, effective on the date on which a notice and statement of the basis of the action is mailed to such individual or organization (by registered mail, return receipt requested), withhold funds from the individual or organization and withdraw the individual or organization's authority to act on behalf of an institution under any program under this title, if the Secretary—

(i) receives information, determined by the Secretary to be reliable, that the individual or organization, acting on behalf of an institution, is violating any provision of this title, any regulation prescribed under this title, or any applicable special arrangement, agreement, or limitation,

(ii) determines that immediate action is necessary to prevent misuse of Federal funds, and

(iii) determines that the likelihood of loss outweighs the importance of the procedures prescribed under subparagraph (F), for limitation, suspension, or termination,

except that an emergency action shall not exceed 30 days unless the limitation, suspension, or termination proceedings are initiated by the Secretary against the individual or organization within that period of time, and except that the Secretary shall provide the individual or organization an opportunity to show cause, if it so requests, that the emergency action is unwarranted.

(2) If an individual who, or entity that, exercises substantial control, as determined by the Secretary in accordance with the definition of substantial control in subpart 3 of part H, over one or more institutions participating in any program under this title, or, for purposes of paragraphs (1) (H) and (I), over one or more organizations that contract with an institution to administer any aspect of the institution's student assistance program under this title, is determined to have committed one or more violations of the requirements of any program under this title, or has been suspended or debarred in accordance with the regulations of the Secretary, the Secretary may use such determination, suspension, or debarment as the basis for imposing an emergency action on, or limiting, suspending, or terminating, in a single proceeding, the participation of any or all institutions under the substantial control of that individual or entity.

(3)(A) Upon determination, after reasonable notice and opportunity for a hearing, that an eligible institution has engaged in substantial misrepresentation of the nature of its educational program, its financial charges, or the employability of its graduates, the Secretary may suspend or terminate the eligibility status for any or all programs under this title of any otherwise eligible insti-

tution, in accordance with procedures specified in paragraph (1)(D) of this subsection, until the Secretary finds that such practices have been corrected.

(B)(i) Upon determination, after reasonable notice and opportunity for a hearing, that an eligible institution—

(I) has violated or failed to carry out any provision of this title or any regulation prescribed under this title; or

(II) has engaged in substantial misrepresentation of the nature of its educational program, its financial charges, and the employability of its graduates,

the Secretary may impose a civil penalty upon such institution of not to exceed [$25,000] *$60,000* for each violation or misrepresentation.

(ii) Any civil penalty may be compromised by the Secretary. In determining the amount of such penalty, or the amount agreed upon in compromise, the appropriateness of the penalty to the size of the institution of higher education subject to the determination, and the gravity of the violation, failure, or misrepresentation shall be considered. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the institution charged.

(C) In this paragraph:

(i) The term "misleading" means having the likelihood or tendency to mislead under the circumstances.

(ii) The term "misrepresentation"—

(I) means any false, erroneous, or misleading statement an institution, one of its representatives, or a third-party servicer (as defined in section 481(c)) makes directly or indirectly to a student, prospective student or any member of the public, or an accrediting agency, a State agency, or to the Secretary; and

(II) includes any statement that omits information in such a way as to make the statement false, erroneous, or misleading.

(iii) The term "statement" means any communication made in writing, visually, orally, or through other means.

(iv) The term "substantial misrepresentation" means any misrepresentation on which the person to whom such misrepresentation was made could reasonably be expected to rely, or has reasonably relied, to that person's detriment.

(4) The Secretary shall publish a list of State agencies which the Secretary determines to be reliable authority as to the quality of public postsecondary vocational education in their respective States for the purpose of determining eligibility for all Federal student assistance programs.

(5) The Secretary shall make readily available to appropriate guaranty agencies, eligible lenders, State agencies notifying the Secretary under subpart 1 of part H, and accrediting agencies or associations the results of the audits of eligible institutions conducted pursuant to paragraph (1)(A).

(6) The Secretary is authorized to provide any information collected as a result of audits conducted under this section, together with audit information collected by guaranty agencies, to any Federal or State agency having responsibilities with respect to student

financial assistance, including those referred to in subsection (a)(15) of this section.

(7) Effective with respect to any audit conducted under this subsection after December 31, 1988, if, in the course of conducting any such audit, the personnel of the Department of Education discover, or are informed of, grants or other assistance provided by an institution in accordance with this title for which the institution has not received funds appropriated under this title (in the amount necessary to provide such assistance), including funds for which reimbursement was not requested prior to such discovery or information, such institution shall be permitted to offset that amount against any sums determined to be owed by the institution pursuant to such audit, or to receive reimbursement for that amount (if the institution does not owe any such sums).

(d) IMPLEMENTATION OF NON-[TITLE IV] *FEDERAL EDUCATION ASSISTANCE FUNDS* REVENUE REQUIREMENT.—

[(2) SANCTIONS.—

[(A) INELIGIBILITY.—A proprietary institution of higher education that fails to meet a requirement of subsection (a)(24) for two consecutive institutional fiscal years shall be ineligible to participate in the programs authorized by this title for a period of not less than two institutional fiscal years. To regain eligibility to participate in the programs authorized by this title, a proprietary institution of higher education shall demonstrate compliance with all eligibility and certification requirements under section 498 for a minimum of two institutional fiscal years after the institutional fiscal year in which the institution became ineligible.

[(B) ADDITIONAL ENFORCEMENT.—In addition to such other means of enforcing the requirements of this title as may be available to the Secretary, if a proprietary institution of higher education fails to meet a requirement of subsection (a)(24) for any institutional fiscal year, then the institution's eligibility to participate in the programs authorized by this title becomes provisional for the two institutional fiscal years after the institutional fiscal year in which the institution failed to meet the requirement of subsection (a)(24), except that such provisional eligibility shall terminate—

[(i) on the expiration date of the institution's program participation agreement under this subsection that is in effect on the date the Secretary determines that the institution failed to meet the requirement of subsection (a)(24); or

[(ii) in the case that the Secretary determines that the institution failed to meet a requirement of subsection (a)(24) for two consecutive institutional fiscal years, on the date the institution is determined ineligible in accordance with subparagraph (A).]

(e) CODE OF CONDUCT REQUIREMENTS.—An institution of higher education's code of conduct, as required under subsection (a)(25), shall include the following requirements:

(1) BAN ON REVENUE-SHARING ARRANGEMENTS.—

(A) PROHIBITION.—The institution shall not enter into any revenue-sharing arrangement with any lender.

(B) DEFINITION.—For purposes of this paragraph, the term "revenue-sharing arrangement" means an arrangement between an institution and a lender under which—

(i) a lender provides or issues a loan that is made, insured, or guaranteed under this title to students attending the institution or to the families of such students; and

(ii) the institution recommends the lender or the loan products of the lender and in exchange, the lender pays a fee or provides other material benefits, including revenue or profit sharing, to the institution, an officer or employee of the institution, or an agent.

(2) GIFT BAN.—

(A) PROHIBITION.—No officer or employee of the institution who is employed in the financial aid office of the institution or who otherwise has responsibilities with respect to education loans, or agent who has responsibilities with respect to education loans, shall solicit or accept any gift from a lender, guarantor, or servicer of education loans.

(B) DEFINITION OF GIFT.—

(i) IN GENERAL.—In this paragraph, the term "gift" means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimus amount. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

(ii) EXCEPTIONS.—The term "gift" shall not include any of the following:

(I) Standard material, activities, or programs on issues related to a loan, default aversion, default prevention, or financial literacy, such as a brochure, a workshop, or training.

(II) Food, refreshments, training, or informational material furnished to an officer or employee of an institution, or to an agent, as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of education loans to the institution, if such training contributes to the professional development of the officer, employee, or agent.

(III) Favorable terms, conditions, and borrower benefits on an education loan provided to a student employed by the institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution.

(IV) Entrance and exit counseling services provided to borrowers to meet the institution's responsibilities for entrance and exit counseling as required by subsections (b) and (l) of section 485, as long as—

(aa) the institution's staff are in control of the counseling, (whether in person or via electronic capabilities); and

(bb) such counseling does not promote the products or services of any specific lender.

(V) Philanthropic contributions to an institution from a lender, servicer, or guarantor of education loans that are unrelated to education loans or any contribution from any lender, guarantor, or servicer that is not made in exchange for any advantage related to education loans.

(VI) State education grants, scholarships, or financial aid funds administered by or on behalf of a State.

(iii) RULE FOR GIFTS TO FAMILY MEMBERS.—For purposes of this paragraph, a gift to a family member of an officer or employee of an institution, to a family member of an agent, or to any other individual based on that individual's relationship with the officer, employee, or agent, shall be considered a gift to the officer, employee, or agent if—

(I) the gift is given with the knowledge and acquiescence of the officer, employee, or agent; and

(II) the officer, employee, or agent has reason to believe the gift was given because of the official position of the officer, employee, or agent.

(3) CONTRACTING ARRANGEMENTS PROHIBITED.—

(A) PROHIBITION.—An officer or employee who is employed in the financial aid office of the institution or who otherwise has responsibilities with respect to education loans, or an agent who has responsibilities with respect to education loans, shall not accept from any lender or affiliate of any lender any fee, payment, or other financial benefit (including the opportunity to purchase stock) as compensation for any type of consulting arrangement or other contract to provide services to a lender or on behalf of a lender relating to education loans.

(B) EXCEPTIONS.—Nothing in this subsection shall be construed as prohibiting—

(i) an officer or employee of an institution who is not employed in the institution's financial aid office and who does not otherwise have responsibilities with respect to education loans, or an agent who does not have responsibilities with respect to education loans, from performing paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans;

(ii) an officer or employee of the institution who is not employed in the institution's financial aid office but who has responsibility with respect to education loans as a result of a position held at the institution, or an agent who has responsibility with respect to education loans, from performing paid or unpaid service on a board of directors of a lender, guarantor, or servicer of education loans, if the institution has a

written conflict of interest policy that clearly sets forth that officers, employees, or agents must recuse themselves from participating in any decision of the board regarding education loans at the institution; or

(iii) an officer, employee, or contractor of a lender, guarantor, or servicer of education loans from serving on a board of directors, or serving as a trustee, of an institution, if the institution has a written conflict of interest policy that the board member or trustee must recuse themselves from any decision regarding education loans at the institution.

(4) INTERACTION WITH BORROWERS.—The institution shall not—

(A) for any first-time borrower, assign, through award packaging or other methods, the borrower's loan to a particular lender; or

(B) refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guaranty agency.

(5) PROHIBITION ON OFFERS OF FUNDS FOR PRIVATE LOANS.—

(A) PROHIBITION.—The institution shall not request or accept from any lender any offer of funds to be used for private education loans (as defined in section 140 of the Truth in Lending Act), including funds for an opportunity pool loan, to students in exchange for the institution providing concessions or promises regarding providing the lender with—

(i) a specified number of loans made, insured, or guaranteed under this title;

(ii) a specified loan volume of such loans; or

(iii) a preferred lender arrangement for such loans.

(B) DEFINITION OF OPPORTUNITY POOL LOAN.—In this paragraph, the term "opportunity pool loan" means a private education loan made by a lender to a student attending the institution or the family member of such a student that involves a payment, directly or indirectly, by such institution of points, premiums, additional interest, or financial support to such lender for the purpose of such lender extending credit to the student or the family.

(6) BAN ON STAFFING ASSISTANCE.—

(A) PROHIBITION.—The institution shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing.

(B) CERTAIN ASSISTANCE PERMITTED.—Nothing in paragraph (1) shall be construed to prohibit the institution from requesting or accepting assistance from a lender related to—

(i) professional development training for financial aid administrators;

(ii) providing educational counseling materials, financial literacy materials, or debt management materials to borrowers, provided that such materials disclose to borrowers the identification of any lender that assisted in preparing or providing such materials; or

(iii) staffing services on a short-term, nonrecurring basis to assist the institution with financial aid-related functions during emergencies, including State-declared or federally declared natural disasters, federally declared national disasters, and other localized disasters and emergencies identified by the Secretary.

(7) ADVISORY BOARD COMPENSATION.—Any employee who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to education loans or other student financial aid of the institution, and who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors, shall be prohibited from receiving anything of value from the lender, guarantor, or group of lenders or guarantors, except that the employee may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission, or group.

(f) INSTITUTIONAL REQUIREMENTS FOR TEACH-OUTS.—

(1) IN GENERAL.—In the event the Secretary initiates the limitation, suspension, or termination of the participation of an institution of higher education in any program under this title under the authority of subsection (c)(1)(F) or initiates an emergency action under the authority of subsection (c)(1)(G) and its prescribed regulations, the Secretary shall require that institution to prepare a teach-out plan for submission to the institution's accrediting agency or association in compliance with section 496(c)(3), the Secretary's regulations on teach-out plans, and the standards of the institution's accrediting agency or association.

[(2) TEACH-OUT PLAN DEFINED.—In this subsection, the term "teach-out plan" means a written plan that provides for the equitable treatment of students if an institution of higher education ceases to operate before all students have completed their program of study, and may include, if required by the institution's accrediting agency or association, an agreement between institutions for such a teach-out plan.]

(2) TEACH-OUT PLAN DEFINED.—In this subsection, the term "teach-out plan" means a written plan that provides for the equitable treatment of students if an institution of higher education ceases to operate before all students have completed their program of study that—

(A) shall include—

(i) a process to maintain a complete list of such students and the estimated date of completion of each such student's program of study; and

(ii) a record retention plan that includes—

(I) a plan to provide each student with the transcript of such student, at no cost to such student, regardless of whether such student chooses to participate in a teach-out or transfer; and

(II) the policies and procedures required under subparagraphs (B) and (C) of section 495(a)(6); and

(B) may include—

(i) if required by the institution's accrediting agency or association, an agreement between institutions for such a teach-out plan; and

(ii) such other information as the Secretary may require.

(g) INSPECTOR GENERAL REPORT ON GIFT BAN VIOLATIONS.—The Inspector General of the Department shall—

(1) submit an annual report to the authorizing committees identifying all violations of an institution's code of conduct that the Inspector General has substantiated during the preceding year relating to the gift ban provisions described in subsection (e)(2); and

(2) make the report available to the public through the Department's website.

(h) PREFERRED LENDER LIST REQUIREMENTS.—

(1) IN GENERAL.—In compiling, maintaining, and making available a preferred lender list as required under subsection (a)(27), the institution will—

(A) clearly and fully disclose on such preferred lender list—

(i) not less than the information required to be disclosed under section 153(a)(2)(A);

(ii) why the institution has entered into a preferred lender arrangement with each lender on the preferred lender list, particularly with respect to terms and conditions or provisions favorable to the borrower; and

(iii) that the students attending the institution, or the families of such students, do not have to borrow from a lender on the preferred lender list;

(B) ensure, through the use of the list of lender affiliates provided by the Secretary under paragraph (2), that—

(i) there are not less than three lenders of loans made under part B that are not affiliates of each other included on the preferred lender list and, if the institution recommends, promotes, or endorses private education loans, there are not less than two lenders of private education loans that are not affiliates of each other included on the preferred lender list; and

(ii) the preferred lender list under this paragraph—

(I) specifically indicates, for each listed lender, whether the lender is or is not an affiliate of each other lender on the preferred lender list; and

(II) if a lender is an affiliate of another lender on the preferred lender list, describes the details of such affiliation;

(C) prominently disclose the method and criteria used by the institution in selecting lenders with which to enter into preferred lender arrangements to ensure that such lenders are selected on the basis of the best interests of the borrowers, including—

(i) payment of origination or other fees on behalf of the borrower;

(ii) highly competitive interest rates, or other terms and conditions or provisions of loans under this title or private education loans;

(iii) high-quality servicing for such loans; or

(iv) additional benefits beyond the standard terms and conditions or provisions for such loans;

(D) exercise a duty of care and a duty of loyalty to compile the preferred lender list under this paragraph without prejudice and for the sole benefit of the students attending the institution, or the families of such students;

(E) not deny or otherwise impede the borrower's choice of a lender or cause unnecessary delay in loan certification under this title for those borrowers who choose a lender that is not included on the preferred lender list; and

(F) comply with such other requirements as the Secretary may prescribe by regulation.

(2) LENDER AFFILIATES LIST.—

(A) IN GENERAL.—The Secretary shall maintain and regularly update a list of lender affiliates of all eligible lenders, and shall provide such list to institutions for use in carrying out paragraph (1)(B).

(B) USE OF MOST RECENT LIST.—An institution shall use the most recent list of lender affiliates provided by the Secretary under subparagraph (A) in carrying out paragraph (1)(B).

(i) DEFINITIONS.—For the purpose of this section:

(1) AGENT.—The term "agent" has the meaning given the term in section 151.

(2) AFFILIATE.—The term "affiliate" means a person that controls, is controlled by, or is under common control with another person. A person controls, is controlled by, or is under common control with another person if—

(A) the person directly or indirectly, or acting through one or more others, owns, controls, or has the power to vote five percent or more of any class of voting securities of such other person;

(B) the person controls, in any manner, the election of a majority of the directors or trustees of such other person; or

(C) the Secretary determines (after notice and opportunity for a hearing) that the person directly or indirectly exercises a controlling interest over the management or policies of such other person's education loans.

(3) EDUCATION LOAN.—The term "education loan" has the meaning given the term in section 151.

(4) ELIGIBLE INSTITUTION.—The term "eligible institution" means any such institution described in section 102 of this Act.

(5) OFFICER.—The term "officer" has the meaning given the term in section 151.

(6) PREFERRED LENDER ARRANGEMENT.—The term "preferred lender arrangement" has the meaning given the term in section 151.

(j) CONSTRUCTION.—Nothing in the amendments made by the Higher Education Amendments of 1992 shall be construed to prohibit an institution from recording, at the cost of the institution, a hearing referred to in subsection (b)(2), subsection (c)(1)(D), or subparagraph (A) or (B)(i) of subsection (c)(2), of this section to create a record of the hearing, except the unavailability of a recording

shall not serve to delay the completion of the proceeding. The Secretary shall allow the institution to use any reasonable means, including stenographers, of recording the hearing.

[SEC. 487A. REGULATORY RELIEF AND IMPROVEMENT.

[(a) QUALITY ASSURANCE PROGRAM.—

[(1) IN GENERAL.—The Secretary is authorized to select institutions for voluntary participation in a Quality Assurance Program that provides participating institutions with an alternative management approach through which individual schools develop and implement their own comprehensive systems, related to processing and disbursement of student financial aid, verification of student financial aid application data, and entrance and exit interviews, thereby enhancing program integrity within the student aid delivery system.

[(2) CRITERIA AND CONSIDERATION.—The Quality Assurance Program authorized by this section shall be based on criteria that include demonstrated institutional performance, as determined by the Secretary, and shall take into consideration current quality assurance goals, as determined by the Secretary. The selection criteria shall ensure the participation of a diverse group of institutions of higher education with respect to size, mission, and geographical distribution.

[(3) WAIVER.—The Secretary is authorized to waive for any institution participating in the Quality Assurance Program any regulations dealing with reporting or verification requirements in this title that are addressed by the institution's alternative management system, and may substitute such quality assurance reporting as the Secretary determines necessary to ensure accountability and compliance with the purposes of the programs under this title. The Secretary shall not modify or waive any statutory requirements pursuant to this paragraph.

[(4) DETERMINATION.—The Secretary is authorized to determine—

[(A) when an institution that is unable to administer the Quality Assurance Program shall be removed from such program; and

[(B) when institutions desiring to cease participation in such program will be required to complete the current award year under the requirements of the Quality Assurance Program.

[(5) REVIEW AND EVALUATION.—The Secretary shall review and evaluate the Quality Assurance Program conducted by each participating institution and, on the basis of that evaluation, make recommendations regarding amendments to this Act that will streamline the administration and enhance the integrity of Federal student assistance programs. Such recommendations shall be submitted to the authorizing committees.

[(b) REGULATORY IMPROVEMENT AND STREAMLINING EXPERIMENTS.—

[(1) IN GENERAL.—The Secretary shall continue the voluntary participation of any experimental sites in existence as of July 1, 2007, unless the Secretary determines that such site's participation has not been successful in carrying out the purposes of this section. Any experimental sites approved by

the Secretary prior to such date that have not been successful in carrying out the purposes of this section shall be discontinued not later than June 30, 2010.

[(2) REPORT.—The Secretary shall review and evaluate the experience of institutions participating as experimental sites and shall, on a biennial basis, submit a report based on the review and evaluation to the authorizing committees. Such report shall include—

[(A) a list of participating institutions and the specific statutory or regulatory waivers granted to each institution;

[(B) the findings and conclusions reached regarding each of the experiments conducted; and

[(C) recommendations for amendments to improve and streamline this Act, based on the results of the experiment.

[(3) SELECTION.—

[(A) IN GENERAL.—The Secretary is authorized to periodically select a limited number of additional institutions for voluntary participation as experimental sites to provide recommendations to the Secretary on the impact and effectiveness of proposed regulations or new management initiatives.

[(B) WAIVERS.—The Secretary is authorized to waive, for any institution participating as an experimental site under subparagraph (A), any requirements in this title, including requirements related to the award process and disbursement of student financial aid (such as innovative delivery systems for modular or compressed courses, or other innovative systems), verification of student financial aid application data, entrance and exit interviews, or other management procedures or processes as determined in the negotiated rulemaking process under section 492, or regulations prescribed under this title, that will bias the results of the experiment, except that the Secretary shall not waive any provisions with respect to award rules (other than an award rule related to an experiment in modular or compressed schedules), grant and loan maximum award amounts, and need analysis requirements unless the waiver of such provisions is authorized by another provision under this title.

[(4) DETERMINATION OF SUCCESS.—For the purposes of paragraph (1), the Secretary shall make a determination of success regarding an institution's participation as an experimental site based on—

[(A) the ability of the experimental site to reduce administrative burdens to the institution, as documented in the Secretary's biennial report under paragraph (2), without creating costs for the taxpayer; and

[(B) whether the experimental site has improved the delivery of services to, or otherwise benefitted, students.

[(c) DEFINITIONS.—For purposes of this section, the term "current award year" means the award year during which the participating institution indicates the institution's intention to cease participation.]

SEC. 487A. EXPERIMENTATION WITH STATUTORY AND REGULATORY FLEXIBILITY.

(a) EXPERIMENTAL SITES.—The Secretary is authorized to periodically select a limited number of institutions for voluntary participation as experimental sites to test the effectiveness of approaches to statutory and regulatory flexibility that—

(1) to the extent appropriate, may lead to a reduction of regulatory burden on institutions of higher education or the Department of Education, except that the Secretary shall not waive any requirement of this title for any institution participating as an experimental site that would reduce the protections or the information provided to a student under this Act; and

(2) aim to increase student success, as determined in accordance with subsection (g).

(b) CONTINUING AND DISCONTINUING EXPERIMENTS AND EXPERIMENTAL SITES.—The Secretary may continue any experiment or the voluntary participation of any experimental site in existence as of the date of enactment of the College Affordability Act, unless the Secretary determines that such experiment or site has not been successful in increasing student success as determined in accordance with subsection (g). Any experiment or experimental site approved by the Secretary prior to the date of enactment of the College Affordability Act that has not been successful in increasing student success shall be discontinued before the first day of the first award year beginning after such date.

(c) WAIVERS.—The Secretary is authorized to waive, for any institution participating as an experimental site under subsection (a), any requirements in this title, including requirements related to the award process and disbursement of student financial aid (such as innovative delivery systems for modular or compressed courses, or other innovative systems), verification of student financial aid application data, entrance and exit interviews, or other management procedures or processes as determined in the negotiated rulemaking process under section 492, or regulations prescribed under this title, that will bias the results of the experiment, except that the Secretary shall not waive any provisions with respect to award rules (other than an award rule related to an experiment in modular or compressed schedules), grant and loan maximum award amounts, and need analysis requirements unless the waiver of such provisions is authorized by another provision under this title.

(d) EVALUATION PLAN REQUIRED.—Before notifying institutions of the intent of the Secretary to carry out an experiment under this section, the Secretary, in consultation with the Director of the Institute of Education Sciences, shall develop an evaluation plan for the experiment. The evaluation plan shall include the following:

(1) Identification of the methodology to be used for collecting data on the experiment which shall include, to the extent practicable, a methodology that allows for the disaggregation of data by age, race, gender, disability status, status as a veteran or member of the Armed Forces, status as a first generation college student, and status as a recipient of a Federal Pell Grant under section 401.

(2) Identification of the rigorous evaluation methods to be used for determining the impact of the experiment, which shall include, to the extent practicable—

(A) a randomized controlled design; and

(B) an assessment of whether the experiment has a differential impact on any group described in paragraph (1).

(3) A schedule for conducting the experiment in accordance with the duration limit specified in subsection (f).

(4) An estimate of the cost of conducting the experiment, to the extent practicable.

(5) An estimate of the size of the study sample (such as the number of participating students or institutions) needed to determine if the experiment has statistically significant effects.

(e) LIMITATION PENDING NOTICE TO CONGRESS.—

(1) LIMITATION.—The Secretary may not carry out an experiment at an experimental site under this section until a period of 60 days has elapsed following the date on which the Secretary submits to the authorizing committees the notice described in paragraph (2).

(2) NOTICE TO CONGRESS.—The notice described in this paragraph is a written notice that includes—

(A) a description of the experiment proposed to be carried out by the Secretary, including the rationale for the proposed experiment;

(B) the policy-relevant questions the Secretary intends to evaluate through the experiment and an explanation of how the design of the experiment will allow the Secretary to best answer those questions;

(C) a list of the specific statutory and regulatory requirements that the Secretary intends to waive with respect to an institution participating as an experimental site and the legal authority for such waivers;

(D) an explanation of how the statutory and regulatory flexibility provided to an institution participating as an experimental site is expected to increase student success, as required under subsection (a); and

(E) a copy of the evaluation plan developed under subsection (d).

(f) DURATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), the duration of an experiment under this section shall not exceed a period of four years beginning with the first award year for which Federal financial aid is disbursed to students participating in the experiment.

(2) EXTENSION.—The Secretary may extend an experiment for up to two years beyond the four-year period specified in paragraph (1) on a case-by-case basis.

(g) DETERMINATION OF SUCCESS.—For the purposes of subsection (a), the Secretary shall make a determination of success regarding an institution's participation as an experimental site based on—

(1) whether, and to what extent, student outcomes improve as a direct result of the experiment;

(2) whether the experimental site improves the delivery of services to, or otherwise benefitted, students; and

(3) the extent to which the experiment reduces administrative burdens on institutions participating as experimental sites, as documented in the Secretary's annual report under subsection (h)(3), without harming students.

(h) OUTCOMES REPORTING.—

(1) DATA SUBMISSION.—Each institution participating as an experimental site shall submit to the Secretary, on a periodic basis to be determined by the Secretary, data on outcomes relating to the experiment carried out at the site.

(2) REVIEW AND EVALUATION.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall review and rigorously evaluate the activities of each institution participating as an experimental site.

(B) EVALUATION METHODOLOGY.—To the extent practicable, the evaluation under subparagraph (A) shall be based on data collected in accordance with the data collection methodology specified in the evaluation plan for the experiment under subsection (d)(1).

(3) ANNUAL REPORT.—On an annual basis, the Secretary shall submit to the authorizing committees a report based on the review and evaluation carried out under paragraph (2). Each report shall include, with respect to each experiment carried out by the Secretary during the period covered by the report, the following:

(A) A summary of the status of the experiment.

(B) A list identifying each institution participating as an experimental site.

(C) The specific statutory or regulatory waivers granted to each institution participating as an experimental site.

(D) In a case in which data on the experiment is not collected in accordance with the methodology specified in the evaluation plan under subsection (d)(1)—

(i) the reasons that such methodology was not used to collect data on the experiment; and

(ii) a description of the alternative data collection methodology used for the experiment.

(E) An evaluation of the quality of data yielded by the experiment.

(F) A summary and analysis of the findings, to date, of the experiment.

(G) An assessment of whether the experiment has had a differential impact on any group listed in subsection (d)(1).

(H) An explanation of any current or foreseen barriers to conducting the experiment.

(I) In the case of an experiment for which the Secretary determines there is sufficient value in continuing the experiment past the duration limit specified in subsection (f)(1), adequate documentation to justify such continuation.

(4) FINAL REPORT.—Not later than 180 days after the conclusion of each experiment, the Secretary shall submit to the authorizing committees a report that includes the following:

(A) A summary of the data yielded by the experiment, including, to the extent practicable, data on the results of the experiment disaggregated by age, race, gender, disability status, status as a veteran or member of the Armed Forces, status as a first generation college student, and status as a recipient of a Federal Pell Grant under section 401.

(B) The conclusions reached regarding each experiment conducted.

(C) Recommendations, based on the results of the experiment—

(i) to improve and streamline relevant statutes, including this Act; and

(ii) for improvements to relevant regulations.

(D) An explanation of any changes to regulations that the Secretary intends to make as a result of the experiment.

(5) PUBLIC AVAILABILITY.—Each report submitted under paragraphs (3) and (4) shall be made available on a publicly accessible website of the Department of Education.

(i) FAST-TRACK PROCESS TO COMPLY WITH INFORMATION COLLECTION REQUIREMENTS.—The requirements of section 3507 of title 44, United States Code, shall not apply to the collection of information by the Department of Education on experiments carried out in accordance with this section.

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SEC. 489. ADMINISTRATIVE EXPENSES.

(a) AMOUNT OF PAYMENTS.—From the sums appropriated for any fiscal year for the purpose of the program authorized under subpart 1 of part A, the Secretary shall reserve such sums as may be necessary to pay to each institution with which he has an agreement under section 487, an amount equal to $5 for each student at that institution who receives assistance under subpart 1 of part A. In addition, an institution which has entered into an agreement with the Secretary under subpart 3 of part A or part C, of this title [or under part E of this title] shall be entitled for each fiscal year which such institution disburses funds to eligible students under any such part to a payment for the purpose set forth in subsection (b). The payment for a fiscal year shall be payable from each such allotment by payment in accordance with regulations of the Secretary and shall be equal to 5 percent of the institution's first $2,750,000 of expenditures plus 4 percent of the institution's expenditures greater than $2,750,000 and less than $5,500,000, plus 3 percent of the institution's expenditures in excess of $5,500,000 during the fiscal year from the sum of its grants to students under subpart 3 of part A, *and* its expenditures during such fiscal year under part C for [compensation of students, and the principal amount of loans made during such fiscal year from its student loan fund established under part E, excluding the principal amount of any such loans which the institution has referred under section 463(a)(4)(B).] *compensation of students.* In addition, the Secretary shall provide for payment to each institution of higher education an amount equal to 100 percent of the costs incurred by the institution in implementing and operating the immigration status verification system under section 484(g).

(b) PURPOSE OF PAYMENTS.—(1) The sums paid to institutions under this part are for the sole purpose of administering the programs described in subsection (a).

(2) If the institution enrolls a significant number of students who are (A) attending the institution less than full time, or (B) independent students, the institution shall use a reasonable proportion of the funds available under this section for financial aid services during times and in places that will most effectively accommodate the needs of such students.

SEC. 490. CRIMINAL PENALTIES.

(a) IN GENERAL.—Any person who knowingly and willfully embezzles, misapplies, steals, obtains by fraud, false statement, or forgery, or fails to refund any funds, assets, or property provided or insured under this title or attempts to so embezzle, misapply, steal, obtain by fraud, false statement or forgery, or fail to refund any funds, assets, or property, shall be fined not more than $20,000 or imprisoned for not more than 5 years, or both, except if the amount so embezzled, misapplied, stolen, obtained by fraud, false statement, or forgery, or failed to be refunded does not exceed $200, then the fine shall not be more than $5,000 and imprisonment shall not exceed one year, or both.

(b) ASSIGNMENT OF LOANS.—Any person who knowingly and willfully makes any false statement, furnishes any false information, or conceals any material information in connection with the assignment of a loan which is made or insured under this title or attempts to so make any false statement, furnish any false information, or conceal any material information in connection with such assignment shall, upon conviction thereof, be fined not more than $10,000 or imprisoned for not more than one year, or both.

(c) INDUCEMENTS TO LEND OR ASSIGN.—Any person who knowingly and willfully makes an unlawful payment to an eligible lender under part B or attempts to make such unlawful payment as an inducement to make, or to acquire by assignment, a loan insured under such part shall, upon conviction thereof, be fined not more than $10,000 or imprisoned for not more than one year, or both.

(d) OBSTRUCTION OF JUSTICE.—Any person who knowingly and willfully destroys or conceals any record relating to the provision of assistance under this title or attempts to so destroy or conceal with intent to defraud the United States or to prevent the United States from enforcing any right obtained by subrogation under this part, shall upon conviction thereof, be fined not more than $20,000 or imprisoned not more than 5 years, or both.

(e) ACCESS TO DEPARTMENT OF EDUCATION INFORMATION TECHNOLOGY SYSTEMS FOR FRAUD, COMMERCIAL ADVANTAGE, OR PRIVATE FINANCIAL GAIN.—Any person who knowingly uses an access device, as defined in section 1029(e)(1) of title 18, United States Code, issued to another person or obtained by fraud or false statement to access Department information technology systems for purposes of obtaining commercial advantage or private financial gain, or in furtherance of any criminal or tortious act in violation of the Constitution or laws of the United States or of any State, shall be fined not more than $20,000, imprisoned for not more than 5 years, or both.

* * * * * * *

SEC. 492. REGIONAL MEETINGS AND NEGOTIATED RULEMAKING.

(a) MEETINGS.—

(1) IN GENERAL.—The Secretary shall obtain public involvement in the development of proposed regulations for this title. The Secretary shall obtain the advice of and recommendations from individuals and representatives of the groups involved in student financial assistance programs under this title, such as students, legal assistance organizations that represent [students, institutions of higher education, State student grant

agencies, guaranty agencies, lenders, secondary markets, loan servicers, guaranty agency servicers, and collection agencies] *students and borrowers, consumer representatives, institutions of higher education, and contractors responsible for carrying out student financial assistance programs under this title*.

(2) ISSUES.—The Secretary shall provide for a comprehensive discussion and exchange of information concerning the implementation of this title through such mechanisms as regional meetings and electronic exchanges of information. The Secretary shall take into account the information received through such mechanisms in the development of proposed regulations and shall publish a summary of such information in the Federal Register together with such proposed regulations.

(b) DRAFT REGULATIONS.—

(1) IN GENERAL.—After obtaining the advice and recommendations described in subsection (a)(1) and before publishing proposed regulations in the Federal Register, the Secretary shall prepare draft regulations implementing this title and shall submit such regulations to a negotiated rulemaking process. Participants in the negotiations process shall be chosen by the Secretary from individuals nominated by groups described in subsection (a)(1), and shall include [both representatives of such groups from Washington, D.C., and industry participants] *representatives that are broadly representative of constituencies in different sectors and geographic locations*. The Secretary shall select individuals with demonstrated expertise or experience in the relevant subjects under negotiation, reflecting the diversity in the industry, representing both large and small participants, as well as individuals serving local areas and national markets. The negotiation process shall be conducted in a timely manner in order that the final regulations may be issued by the Secretary within the 360-day period described in section 437(e) of the General Education Provisions Act.

(2) EXPANSION OF NEGOTIATED RULEMAKING.—All regulations pertaining to this title that are promulgated after the date of enactment of this paragraph shall be subject to a negotiated rulemaking (including the selection of the issues to be negotiated), unless the Secretary determines that applying such a requirement with respect to given regulations is impracticable, unnecessary, or contrary to the public interest (within the meaning of section 553(b)(3)(B) of title 5, United States Code), and publishes the basis for such determination in the Federal Register at the same time as the proposed regulations in question are first published. All published proposed regulations shall conform to agreements resulting from such negotiated rulemaking unless the Secretary reopens the negotiated rulemaking process or provides a written explanation to the participants in that process why the Secretary has decided to depart from such agreements. Such negotiated rulemaking shall be conducted in accordance with the provisions of paragraph (1), and the Secretary shall ensure that a clear and reliable record of agreements reached during the negotiations process is maintained.

(3) NEGOTIATED RULEMAKING PROCESS.—In carrying out a negotiated rulemaking process required under this section, the Secretary shall—

(A) to the extent practicable, comply with requests from the participants in such negotiated rulemaking process for data;

(B) make publicly available issue papers and the proposed regulations described in paragraph (1) in a timely manner that allows for public review;

(C) make video recordings of each negotiated rulemaking session publicly available through simultaneous transmission;

(D) archive the video recordings described in subparagraph (C) in a publicly available manner; and

(E) make publicly available the transcripts of each such negotiated rulemaking session.

(c) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act shall not apply to activities carried out under this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated in any fiscal year or made available from funds appropriated to carry out this part in any fiscal year such sums as may be necessary to carry out the provisions of this section, except that if no funds are appropriated pursuant to this subsection, the Secretary shall make funds available to carry out this section from amounts appropriated for the operations and expenses of the Department of Education.

* * * * * * *

SEC. 493C. INCOME-BASED REPAYMENT.

(a) DEFINITIONS.—In this section:

(1) EXCEPTED PLUS LOAN.—The term "excepted PLUS loan" means a loan under section 428B, or a Federal Direct PLUS Loan, that is made, insured, or guaranteed on behalf of a dependent student.

(2) EXCEPTED CONSOLIDATION LOAN.—The term "excepted consolidation loan" means a consolidation loan under section 428C, or a Federal Direct Consolidation Loan, if the proceeds of such loan were used to the discharge the liability on an excepted PLUS loan.

(3) PARTIAL FINANCIAL HARDSHIP.—The term "partial financial hardship", when used with respect to a borrower, means that for such borrower—

(A) the annual amount due on the total amount of loans made, insured, or guaranteed under part B or D (other than an excepted PLUS loan or excepted consolidation loan) to a borrower as calculated under the standard repayment plan under section 428(b)(9)(A)(i) or 455(d)(1)(A), based on a 10-year repayment period; exceeds

(B) 15 percent of the result obtained by calculating, on at least an annual basis, the amount by which—

(i) the borrower's, and the borrower's spouse's (if applicable), adjusted gross income; exceeds

(ii) 150 percent of the poverty line applicable to the borrower's family size as determined under section

673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

(b) INCOME-BASED REPAYMENT PROGRAM AUTHORIZED.—Notwithstanding any other provision of this Act, the Secretary shall carry out a program under which—

(1) a borrower of any loan made, insured, or guaranteed under part B or D (other than an excepted PLUS loan or excepted consolidation loan) who has a partial financial hardship (whether or not the borrower's loan has been submitted to a guaranty agency for default aversion or had been in default) may elect, during any period the borrower has the partial financial hardship, to have the borrower's aggregate monthly payment for all such loans not exceed the result described in subsection (a)(3)(B) divided by 12;

(2) the holder of such a loan shall apply the borrower's monthly payment under this subsection first toward interest due on the loan, next toward any fees due on the loan, and then toward the principal of the loan;

(3) any interest due and not paid under paragraph (2)—

(A) shall, on subsidized loans, be paid by the Secretary for a period of not more than 3 years after the date of the borrower's election under paragraph (1), except that such period shall not include any period during which the borrower is in deferment due to an economic hardship described in section 435(o); and

(B) be capitalized—

(i) in the case of a subsidized loan, subject to subparagraph (A), at the time the borrower—

(I) ends the election to make income-based repayment under this subsection; or

(II) begins making payments of not less than the amount specified in paragraph (6)(A); or

(ii) in the case of an unsubsidized loan, at the time the borrower—

(I) ends the election to make income-based repayment under this subsection; or

(II) begins making payments of not less than the amount specified in paragraph (6)(A);

(4) any principal due and not paid under paragraph (2) shall be deferred;

(5) the amount of time the borrower makes monthly payments under paragraph (1) may exceed 10 years;

(6) if the borrower no longer has a partial financial hardship or no longer wishes to continue the election under this subsection, then—

(A) the maximum monthly payment required to be paid for all loans made to the borrower under part B or D (other than an excepted PLUS loan or excepted consolidation loan) shall not exceed the monthly amount calculated under section 428(b)(9)(A)(i) or 455(d)(1)(A), based on a 10-year repayment period, when the borrower first made the election described in this subsection; and

(B) the amount of time the borrower is permitted to repay such loans may exceed 10 years;

(7) the Secretary shall repay or cancel any outstanding balance of principal and interest due on all loans made under part B or D (other than a loan under section 428B or a Federal Direct PLUS Loan) to a borrower who—

(A) at any time, elected to participate in income-based repayment under paragraph (1); and

(B) for a period of time prescribed by the Secretary, not to exceed 25 years, meets 1 or more of the following requirements—

(i) has made reduced monthly payments under paragraph (1) or paragraph (6);

(ii) has made monthly payments of not less than the monthly amount calculated under section 428(b)(9)(A)(i) or 455(d)(1)(A), based on a 10-year repayment period, when the borrower first made the election described in this subsection;

(iii) has made payments of not less than the payments required under a standard repayment plan under section 428(b)(9)(A)(i) or 455(d)(1)(A) with a repayment period of 10 years;

(iv) has made payments under an income-contingent repayment plan under section 455(d)(1)(D); [or]

(v) has been in deferment due to an economic hardship described in section 435(o);

(vi) has made payments under the income-based repayment plan under section 493C(f); or

(vii) has made payments under the fixed repayment plan described in section 493E;

[(8) a borrower who is repaying a loan made under part B or D pursuant to income-based repayment may elect, at any time, to terminate repayment pursuant to income-based repayment and repay such loan under the standard repayment plan; and]

(8) a borrower who is repaying a loan made under part B or D pursuant to income-based repayment may elect, at any time, to terminate repayment pursuant to income-based repayment and repay such loan under the income-based repayment plan under section 493C(f) or the fixed repayment plan described in section 493E;

(9) the special allowance payment to a lender calculated under section 438(b)(2)(I), when calculated for a loan in repayment under this section, shall be calculated on the principal balance of the loan and on any accrued interest unpaid by the borrower in accordance with this section[.]*; and*

(10) a borrower who is repaying a loan made, insured, or guaranteed under part B or D pursuant to this section may repay such loan in full at any time without penalty.

(c) ELIGIBILITY DETERMINATIONS.—[The Secretary shall establish]

(1) IN GENERAL.—The Secretary shall establish procedures for annually determining the borrower's eligibility for income-based repayment, including verification of a borrower's annual income and the annual amount due on the total amount of loans made, insured, or guaranteed under part B or D (other than an excepted PLUS loan or excepted consolidation loan),

and such other procedures as are necessary to effectively implement income-based repayment under this section. [The Secretary shall consider]

(2) PROCEDURES FOR ELIGIBILITY.—The Secretary shall—

(A) consider , but is not limited to, the procedures established in accordance with section 455(e)(1) or in connection with income sensitive repayment schedules under section 428(b)(9)(A)(iii) or [428C(b)(1)(E).] *428C(b)(1)(E); and*

(B) beginning as soon as the Secretary determines practicable after the Secretary finalizes the procedures required under section 9004 of the College Affordability Act, but not later than 2 years after the date of enactment of such Act, carry out, with respect to borrowers of any covered loan (as defined in section 455(d)(10)), including such borrowers who select, or for whom the Secretary selects under paragraph (8)(C) or (9)(C) of subsection (d), or section 428(m)(1), the income-based repayment plan under subsection (f), procedures for income-based repayment plans under this section that are equivalent to the procedures carried out under section 455(e)(9) with respect to income contingent repayment plans.

(d) SPECIAL RULE FOR MARRIED BORROWERS FILING SEPARATELY.—In the case of a married borrower who files a separate Federal income tax return, the Secretary shall calculate the amount of the borrower's income-based repayment under this section solely on the basis of the borrower's student loan debt and adjusted gross income.

(e) SPECIAL TERMS FOR NEW BORROWERS ON AND AFTER JULY 1, 2014.—With respect to any loan made to a new borrower on or after July 1, 2014—

(1) subsection (a)(3)(B) shall be applied by substituting "10 percent" for "15 percent"; and

(2) subsection (b)(7)(B) shall be applied by substituting "20 years" for "25 years".

(f) INCOME-BASED REPAYMENT FOR NEW LOANS ON AND AFTER JULY 1, 2021, AND FOR BORROWERS WHO ENTER INCOME-BASED REPAYMENT AFTER JUNE 30, 2021.—

(1) IN GENERAL.—The income-based repayment plan under this subsection shall be carried out in accordance with this section, except as otherwise specified in this subsection—

(A) with respect to any loan made under part D on or after July 1, 2021, if such borrower elects such income-based repayment plan for the loan; and

(B) with respect to any loan made, insured, or guaranteed under part B or D on or before June 30, 2021, if such borrower elects to repay the loan under such income-based repayment plan on or after July 1, 2021.

(2) SPECIAL TERMS.—Notwithstanding any other provision of this section, with respect to a loan described under paragraph (1), the following terms shall apply to the income-based repayment plan under this subsection:

(A)(i) Notwithstanding subsection (a)(3)(B), the repayment amount under this subsection shall be an amount equal to 10 percent of the result obtained by calculating, on at least an annual basis, the amount by which the adjusted

gross income of the borrower (subject to clause (ii)) exceeds the applicable percentage of the poverty line in accordance with clause (iii).

(ii)(I) Subject to subclause (II), in the case of a married borrower (regardless of tax filing status), clause (i) shall be applied by substituting "the adjusted gross income of the borrower and the borrower's spouse" for "the adjusted gross income of the borrower".

(II) Subclause (I) shall not be applicable to any borrower who is married and who certifies to the Secretary through a form approved by the Secretary that the borrower is—

(aa) separated from the spouse of the borrower; or

(bb) unable to reasonably access the income information the spouse of such borrower.

(iii) For purposes of clause (i), the term "applicable percentage" means 250 percent of the poverty line applicable to the borrower's family size (as determined under section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)))—

(I) reduced by 10 percentage points for each $1,000 by which the borrower's adjusted gross income (in the case of a single borrower) exceeds $80,000; and

(II) reduced by 10 percentage points for each $2,000 by which the borrower's adjusted gross income (in the case of a married borrower (regardless of filing status)), exceeds $160,000.

(B) Subsection (b)(7)(B) shall apply by substituting "20 years" for "25 years".

(C) A borrower of such a loan may elect, and remain enrolled in, the income-based repayment plan under this subsection regardless of—

(i) whether such borrower has a partial financial hardship; and

(ii) the income level of the borrower.

(D) Notwithstanding subparagraph (A) of subsection (b)(6), a borrower's monthly payment—

(i) shall be equal to the repayment amount determined under subparagraph (A) divided by 12; and

(ii) may exceed the monthly repayment amount under a standard 10-year repayment plan or a fixed repayment plan described in section 493E.

(E) Subparagraph (B) of subsection (b)(3) shall not apply.

(F) Subsection (d) shall not apply.

(G) In the case of a Federal Direct Consolidation Loan made on or after the date of enactment of the College Affordability Act that is being repaid under this subsection, any monthly payment made pursuant to any repayment plan listed in subsection (b)(7)(B) on a loan for which the liability has been discharged by the proceeds of such consolidation loan shall be treated as a monthly payment under this subsection on the portion of such consolidation loan that is attributable to such discharged loan, except that in the case of a subsequent consolidation loan, for purposes of this clause—

(i) any monthly payment made on the first consolidation loan or any other loan for which the liability has been discharged by such subsequent consolidation loan shall be applicable; and

(ii) any monthly payment made on a loan for which the liability has been discharged by such first consolidation loan shall not be applicable.

(3) ADDITIONAL SPECIAL TERMS FOR CERTAIN BORROWERS.—A borrower described in paragraph (1)(B)—

(A) may—

(i) choose to continue repayment pursuant to the repayment plan in which the borrower is enrolled on June 30, 2021; or

(ii) make a one-time election to—

(I) terminate repayment pursuant to the repayment plan described in clause (i) and enter the income-based repayment plan under this subsection; or

(II) terminate repayment pursuant to the repayment plan described in clause (i) and enter a fixed repayment plan described in section 493E; and

(B) who makes an election under subparagraph (A)(ii), shall not repay a loan described in paragraph (1)(B) under a repayment plan that is not an income-based repayment plan under this subsection or a fixed repayment plan described in section 493E.

(4) WRITTEN, ELECTRONIC, OR VERBAL ENROLLMENT IN INCOME-BASED REPAYMENT.—

(A) IN GENERAL.—The Secretary shall develop and implement a process that is consistent with any procedures (including verification procedures) established under subsection (c), which enables a covered borrower of a loan made under part D who desires to elect to repay such loan under income-based repayment under this subsection to make such election through written, electronic, or verbal notice to the Secretary.

(B) COVERED BORROWER DEFINED.—In this paragraph, the term "covered borrower" means a borrower of a loan made under part D who—

(i) is enrolled in the fixed repayment plan under section 493E; or

(ii) has not yet selected a repayment plan.

(g) SPECIAL RULE FOR REFINANCED LOANS.—

(1) REFINANCED FEDERAL DIRECT AND FFEL LOANS.—In calculating the period of time during which a borrower of a loan that is refinanced under section 460A has made monthly payments for purposes of subsection (b)(7), the Secretary shall include each month in which a monthly payment was made for the original loan or the refinanced loan, if such monthly payment otherwise meet the requirements of this section.

(2) FEDERAL DIRECT REFINANCED PRIVATE LOANS.—In calculating the period of time during which a borrower of a Federal Direct Refinanced Private Loan under section 460B has made monthly payments for purposes of subsection (b)(7), the Secretary shall include only payments—

(A) that are made after the date of the issuance of the Federal Direct Refinanced Private Loan; and

(B) that otherwise meet the requirements of this section.

* * * * * * *

SEC. 493E. FIXED REPAYMENT PLAN.

(a) IN GENERAL.—A borrower of a loan made under this part on or after July 1, 2021, and a borrower who is in repayment on a loan made, insured, or guaranteed under part B or part D before July 1, 2021, may elect to repay such loan under the fixed repayment plan described in this section.

(b) FIXED REPAYMENT PLAN.—Under the fixed repayment plan, a borrower whose total outstanding amount of principal and interest on such a loan (as of the day before entering repayment on such loan)—

(1) is equal to or less than $20,000, shall repay such loan with a fixed monthly repayment amount paid over a period of 10 years;

(2) is more than $20,000 and less than $30,000, shall repay such loan with a fixed monthly repayment amount paid over a period of—

(A) 15 years; or

(B) the period described in paragraph (1), if the borrower elects such period;

(3) is equal to or greater than $30,000, and less than $40,000, shall repay such loan with a fixed monthly repayment amount paid over a period of—

(A) 20 years; or

(B) the period described in paragraph (1) or (2), if the borrower elects such period; and

(4) is equal to or greater than $40,000, shall repay such loan with a fixed monthly repayment amount paid over a period of—

(A) 25 years; or

(B) the period described in any of paragraphs (1) through (3), if the borrower elects such period.

(c) TREATMENT OF CERTAIN CONSOLIDATION LOANS.—In the case of a Federal Direct Consolidation Loan made on or after the date of enactment of the College Affordability Act that is being repaid under this section, any monthly payment made pursuant to any repayment plan listed in section 493C(b)(7)(B) on a loan for which the liability has been discharged by the proceeds of such consolidation loan shall be treated as a monthly payment under this section on the portion of such consolidation loan that is attributable to such discharged loan, except that in the case of a subsequent consolidation loan, for purposes of this subsection—

(1) any monthly payment made on the first consolidation loan or any other loan for which the liability has been discharged by such subsequent consolidation loan shall be applicable; and

(2) any monthly payment made on a loan for which the liability has been discharged by such first consolidation loan shall not be applicable.

SEC. 493F. REQUIRING A COMMON MANUAL FOR LOAN SERVICERS.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of the College Affordability Act, the Secretary shall develop a manual of common procedures and policies for entities with which

the Secretary enters into contracts for the origination, servicing, and collection of covered loans, to standardize procedures to ensure consistency of quality and practice across such entities, and a minimum standard of quality and practice, to ensure that borrowers, including individuals pursuing public service loan forgiveness under section 455(m) and teachers, are well served.

(b) UPDATES.—The Secretary shall update the manual under subsection (a) as frequently as may be necessary, but not less frequently than once every 5 years.

(c) COVERED LOANS DEFINED.—The term "covered loans" means—

(1) loans sold or assigned to the Secretary under part B;

(2) loans made or purchased under part D; and

(3) loans referred, transferred, or assigned to the Secretary under part E.

SEC. 493G. REMOVAL OF RECORD OF DEFAULT.

(a) IN GENERAL.—Upon repaying in full the amount due on a defaulted loan made, insured, or guaranteed under this title, the Secretary, guaranty agency, or other holder of the loan shall request any consumer reporting agency to which the Secretary, guaranty agency, or holder, as applicable, reported the default of the loan, to remove any adverse item of information relating to such loan from the borrower's credit history.

(b) RETROACTIVE APPLICATION.—With respect to a borrower that, prior to the date of enactment of the College Affordability Act, repaid in full the amount due on a defaulted loan made, insured, or guaranteed under this title, the Secretary, guaranty agency, or holder that reported the default of the loan to a consumer reporting agency shall request that such consumer reporting agency remove any adverse item of information relating to such loan from the borrower's credit history, upon receiving a request from the borrower for such removal.

SEC. 493H. BORROWER DEFENSES.

(a) IN GENERAL.—Notwithstanding any other provision of State or Federal law, a defense to repayment of a loan under this title includes—

(1) a substantial misrepresentation;

(2) an act or omission that would give rise to a cause of action against an institution of higher education under applicable State law, to the extent that such act or omission relates to—

(A) a loan received by a borrower under this title; or

(B) educational services for which such a loan was received; or

(3) such further acts or omissions that the Secretary determines to be appropriate in accordance with subsection (b).

(b) REGULATIONS.—The Secretary shall specify in regulations which further acts or omissions of an institution of higher education a borrower may assert as a defense to repayment of a loan made under this title.

(c) SECRETARIAL DETERMINATION.—

(1) IN GENERAL.—The Secretary shall determine whether a borrower is entitled to relief under this section based on all evidence available to the Secretary.

(2) EVIDENTIARY STANDARD.—A borrower shall be entitled to relief under this section if a preponderance of the evidence

available to the Secretary demonstrates that the borrower is entitled to such relief.

(3) INDEPENDENT DETERMINATION.—A determination under paragraph (1) shall be independent of any action that the Secretary may take to recoup funds from the institution of higher education implicated by the borrower defense claim.

(d) PROCEDURES FOR REVIEW AND RESOLUTION OF CLAIMS.—

(1) PROCEDURES REQUIRED.—The Secretary shall establish procedures for the fair and expeditious review and resolution of borrower defense claims brought under this section. In establishing such procedures, the Secretary shall—

(A) provide a fair process for the review and resolution of borrower defense claims, which shall include procedures for the consideration of borrower defense claims on behalf of groups of similarly situated borrowers without requiring each borrower in the group to submit a separate claim;

(B) review a borrower defense claim at any time without regard to the repayment status of any loan subject to such claim;

(C) allow a legal representative to bring a borrower defense claim—

(i) on behalf of an individual borrower; or

(ii) on behalf of a group of similarly situated borrowers; and

(D) specify a fixed timeframe for the resolution of borrower defense claims, except that—

(i) such timeframe shall not exceed a 12-month period beginning on the day on which a borrower submits such a claim under this section; and

(ii) a borrower defense claim that was submitted to the Secretary before the date of enactment of the College Affordability Act that has not been resolved as of such date of enactment, shall be resolved not later than 12 months after such date of enactment.

(2) DEFERMENT DURING PENDENCY OF CLAIMS.—

(A) IN GENERAL.—Subject to subparagraph (B), a loan made under this title that is subject to a pending borrower defense claim shall be placed in deferment status, during which periodic installments of principal need not be paid and interest shall not accrue (or shall be paid by the Secretary), without regard to whether such loan is in default.

(B) OPT OUT.—The borrower of a loan subject to deferment under subparagraph (A) may opt out of such deferment at any time during the pendency of the borrower defense claim.

(C) SUSPENSION OF CREDIT REPORTING AND COLLECTION.—The Secretary shall suspend all adverse credit reporting and collection activity, including offsets and garnishments, with respect to any loan in default that is subject to a deferment under subparagraph (A).

(f) TERMS OF RELIEF.—

(1) IN GENERAL.—If the Secretary determines under subsection (c) that a borrower is entitled to relief, the Secretary shall, subject to paragraph (2)—

(A) cancel or repay all or a portion of the balance of interest and principal due on any loan subject to the claim for relief; and

(B) return to the borrower an amount not in excess of the total amount of payments made on the loan by the borrower.

(2) CANCELLATION OF DEBT AND RETURN OF PAYMENTS.—

(A) SUBSTANTIAL MISREPRESENTATION CLAIMS.—If the Secretary determines that a borrower is entitled to relief based on a claim of substantial misrepresentation, the Secretary shall—

(i) cancel or repay the full balance of interest and principal due on any loan subject to the claim; and

(ii) return to the borrower an amount equal to the total amount of payments made on the loan by the borrower.

(B) OTHER CLAIMS.—If the Secretary determines that a borrower is entitled to relief based on a claim other than substantial misrepresentation, there shall be a presumption that the Secretary will cancel or repay the full balance of principal and interest due on the loan and return the full amount of payments made by the borrower as described in subparagraph (A). If the Secretary determines that full cancellation or repayment of the debt and return of all funds paid on the loan is not appropriate in a particular case, the Secretary shall provide the borrower with a written explanation as to why partial cancellation or repayment, or the partial return of funds is appropriate.

(g) APPEALS.—Upon a determination by the Secretary to deny a borrower defense claim under this section, the borrower may file an appeal with the Department. The Secretary shall develop and implement a standardized process for the treatment of appeals under this subsection.

(h) REFILING OF CLAIMS.—A borrower whose claim was denied under this section may refile the claim for good cause, which may include—

(1) the availability of substantial evidence that was not available to the Secretary at the time the initial claim was denied;

(2) the emergence of facts or circumstances that may have substantially altered the Secretary's original treatment of the initial claim; and

(3) such other factors as may be determined by the Secretary.

(i) DESIGNATION OF PERSONNEL.—The Secretary shall designate qualified personnel within the Department whose principal responsibility shall be the processing of borrower defense claims submitted under his section.

(j) AVAILABILITY OF INFORMATION TO BORROWERS.—

(1) BORROWER REQUESTS FOR INFORMATION.—At the request of a borrower, the Secretary shall identify and provide to the borrower or the legal representative of the borrower any records the Secretary is considering as part of the borrower's claim.

(2) STATUS OF CLAIM.—The Secretary shall establish a process under which each borrower with a claim pending under this section shall be notified of the status of the pending claim not fewer than once every 90 days.

(3) INFORMATION FROM INSTITUTIONS.—The Secretary may request documents and other information relating to a borrower defense claim from an institution of higher education. An institution that receives a request for information from the Secretary under this subsection shall provide the information to the Secretary at such time, in such form, and in such manner as the Secretary may direct.

(k) QUARTERLY REPORTS.—

(1) IN GENERAL.—Not less than once every fiscal quarter, the Secretary shall submit to the authorizing committees a report that includes the following:

(A) The total number of claims submitted to the Secretary pursuant to this subsection in the fiscal quarter covered by the report and in all previous fiscal quarters.

(B) Of the claims described in subparagraph (A)—

(i) the number of claims that remain pending;

(ii) the number of claims that were denied by the Secretary, and the total dollar amount of such claims; and

(iii) the number of claims that were approved by the Secretary, and the total dollar amount of such claims.

(2) DISAGGREGATION.—The information described in subparagraphs (A) and (B) of paragraph (1) shall be disaggregated by State and institution of higher education (except that such disaggregation shall not be required in a case in which the results would reveal personally identifiable information about an individual borrower).

(3) PUBLIC AVAILABILITY.—The information included in each report submitted under paragraph (A) shall be made available on a publicly accessible website of the Department.

(l) DEFINITIONS.—In this section:

(1) The term "legal representative" means a licensed attorney working on behalf of a borrower or a group of borrowers, including—

(A) a State attorney general; and

(B) an attorney employed by a State agency, a Federal agency, or a nonprofit organization that is qualified to provide legal representation to borrowers.

(2) The term "substantial misrepresentation" has the meaning given that term in section 487(c)(3)(C).

SEC. 493I. ON-TIME REPAYMENT RATES.

(a) CALCULATION OF ON-TIME REPAYMENT RATES.—

(1) ON-TIME REPAYMENT RATE DEFINED.—

(A) IN GENERAL.—The term "on-time repayment rate" means for any fiscal year in which 30 or more current and former students at an institution have been in repayment for 3 years on any covered loan received for attendance at the institution, the percentage of such current and former students who have paid at least 90 percent of the monthly payments on such loan during such 3-year repayment period.

(B) SMALL COHORTS.—For any fiscal year in which fewer than 30 of an institution's current and former students have been in repayment for 3 years, the term "on-time repayment rate" means the percentage of such current and

former students who entered their 3rd year of repayment on any covered loan received for attendance at the institution in any of the 3 most recent fiscal years and who have paid at least 90 percent of the monthly payments on such loan during such 3-year repayment period.

(2) ADDITIONAL REQUIREMENTS FOR RATE DETERMINATION.—

(A) MULTIPLE INSTITUTIONS.—In the case of a student who has attended and borrowed a covered loan for attendance at more than one institution, the student (and such student's subsequent repayment or monthly payment on such loan) is attributed to each institution for attendance at which the student received such loan for which the student entered the 3rd year of repayment in the fiscal year for which the on-time repayment rate is being determined.

(B) TREATMENT OF CONSOLIDATION LOANS.—For purposes of determining whether a student is in repayment (or has paid a monthly payment) on a loan under section 428C or a Federal Direct Consolidation Loan, only the portion of such loan that is used to repay a covered loan received for attendance at the institution whose on-time repayment rate is being determined shall be considered for purposes of such rate.

(3) DETERMINATION OF WHEN MONTHLY PAYMENT IS PAID.—For purposes of determining the on-time repayment rate of an institution, a student shall be considered to have paid a monthly payment on a covered loan if one of the following applies:

(A) The amount of such monthly payment has been paid not later than 30 days after the date on which such monthly payment is due, except that a monthly payment by the institution, such institution's owner, agent, contractor, employee, or any other entity or individual affiliated with such institution made on behalf of a student who is not employed by the institution shall not be considered a paid monthly payment on such loan.

(B) The monthly payment amount due on such loan is equal to zero.

(C) The full amount due on the loan has been repaid or the liability on the loan has been otherwise discharged under this Act.

(D) The student is in a period of deferment, other than—

(i) a deferment due to an economic hardship described section 427(a)(2)(C)(iii), 428(b)(1)(M)(iv), or 455(f)(2)(D); or

(ii) a deferment due to unemployment described in section 427(a)(2)(C)(ii), 428(b)(1)(M)(ii), or 455(f)(2)(B)).

(E) The student is in one of the following periods of forbearance (as applicable to loans made, insured, or guaranteed under part B or this title):

(i) Medical or dental internship or residency forbearance under subclause (I) of section 428(c)(3)(A)(i).

(ii) National service forbearance under subclause (III) of section 428(c)(3)(A)(i).

(iii) Forbearance for active duty service in the Armed Forces under subclause (IV) of section 428(c)(3)(A)(i).

(iv) Forbearance for National Guard Duty under section 428(c)(3)(B).

(v) Forbearance due to military mobilization or other local or national emergency as authorized by the Secretary under section 685.205(b)(8) of title 34, Code of Federal Regulations (as in effect on the date of enactment of the College Affordability Act).

(vi) Teacher loan forgiveness forbearance under section 682.213(e) or 685.205(a)(5) of title 34, Code of Federal Regulations (as in effect on the date of enactment of the College Affordability Act).

(4) PARTICIPATION RATE.—

(A) IN GENERAL.—An institution that demonstrates to the Secretary that the institution's participation rate is equal to or less than 20 percent for any of the 3 most recent fiscal years for which data is available shall not be subject to subsection (b).

(B) DETERMINATION.—For purposes of this paragraph, the term "participation rate" means the percentage of the institution's regular students, enrolled on at least a half-time basis, who received a covered loan for a 12-month period ending during the 6 months immediately preceding the fiscal year for which the cohort of borrowers used to calculate the institution's on-time loan repayment rate is determined.

(C) DATA.—An institution shall provide the Secretary with sufficient data to determine the institution's participation rate within 30 days after receiving an initial notification of the institution's draft on-time repayment rate.

(D) NOTIFICATION.—Prior to publication of a final on-time repayment rate for an institution that provides the data described in subparagraph (C), the Secretary shall notify the institution of the institution's compliance or non-compliance with subparagraph (A).

(b) DETERMINATION OF ELIGIBILITY BASED ON REPAYMENT RATES AND INSTRUCTIONAL SPENDING AMOUNTS.—

(1) INELIGIBILITY.—

(A) IN GENERAL.—Except as provided in subparagraphs (C) and (D), beginning on the date that is one year after the date on which the final on-time repayment rates are published by the Secretary for not less than 3 fiscal years, an institution shall not be eligible to participate in a program under this title for the fiscal year for which the determination under this subparagraph is made and for the two succeeding fiscal years, if the Secretary determines the following with respect to such institution—

(i) the on-time repayment rate of such institution is less than any threshold on-time repayment rate specified under subparagraph (B) for period determined appropriate by the Secretary for such threshold rate; and

(ii) with respect to any of the 3 most recent institutional fiscal years for which the institution submits to the Secretary disclosures on the expenditures of the institution on instruction for purposes of section 132(i)(1)(AA), the amount expended by such institution

on instruction for such fiscal year is less than 1/3 of the institution's revenues derived from tuition and fees.

(B) THRESHOLD RATES.—For purposes of determinations under subparagraph (A)(i), the Secretary shall specify 1 or more threshold on-time repayment rates, which rates—

(i) shall require that a significant percentage of students who have been in repayment for 3 years on a covered loan received for attendance at an institution of higher education have paid at least 90 percent of the monthly payments on such covered loan during such 3-year repayment period; and

(ii) may be applicable with respect to a period of 1 or more fiscal years, as determined appropriate for such a rate.

(C) EXCEPTIONS FOR CERTAIN CATEGORIES OF EDUCATIONAL PROGRAMS.—

(i) EXCEPTIONS FOR CERTAIN CATEGORIES OF EDUCATIONAL PROGRAMS.—With respect to an institution that loses eligibility to participate in a program under this title in accordance with paragraph (1), such institution may request and be granted an exception to such loss of eligibility for a category of educational programs at such institution by demonstrating to the Secretary that the on-time loan repayment rate for such category of educational programs is greater than the threshold percentage specified under paragraph (1)(B) for each fiscal year of the period on which such loss of eligibility for the institution is based.

(ii) DETERMINATIONS.—In determining the on-time loan repayment rate for a category of educational programs, subsection (a)(1) shall be applied—

(I) in subparagraph (A), by substituting "received for enrollment in the category of educational programs for which such rate is being determined" for "received for attendance at the institution"; and

(II) as if the following were added at the end of such paragraph:

"(C) MULTIPLE CATEGORIES OF EDUCATIONAL PROGRAMS.—In the case of a student who has received a covered loan for enrollment in more than one category of educational programs, the student (and such student's subsequent repayment or monthly payment on such covered loan) is attributed to the last category of educational programs in which such student was enrolled.".

(D) APPEALS.—Not later than 60 days of receiving notification from the Secretary of the loss of eligibility under subparagraph (A), the institution may appeal the loss of its eligibility under subsection (c).

(2) REPAYMENT MANAGEMENT PLAN REQUIREMENT FOR CERTAIN INSTITUTIONS.—

(A) IN GENERAL.—Beginning on the date that is one year after the date on which the final on-time repayment rates are published by the Secretary for not less than 3 fiscal years, an institution shall be subject to the requirements of

subparagraph (B), if the Secretary determines the following with respect to such institution—

(i) the on-time repayment rate of such institution is less than any threshold on-time repayment rate specified under paragraph (1)(B) for period determined appropriate by the Secretary for such threshold rate; and

(ii) for each of the 3 most recent institutional fiscal years for which the institution submits to the Secretary disclosures on the expenditures of the institution on instruction for purposes of section 132(i)(1)(AA), the amount expended by the institution for instructional spending is greater than or equal to an amount equal to 1/3 of the amount of revenue derived from tuition and fees.

(B) REPAYMENT MANAGEMENT PLAN.—An institution subject to the requirements of this subparagraph, shall—

(i) not later than 6 months after the determination under subparagraph (A), submit to the Secretary a repayment management plan which the Secretary, in the Secretary's discretion, after consideration of the institution's history, resources, expenditures, and targets for improving on-time repayment, determines—

(I) is acceptable and is in the best interests of students; and

(II) provides reasonable assurance that the institution will have an on-time repayment rate that exceeds the on-time threshold referred to in subparagraph (A)(i) after a reasonable period;

(ii) engage an independent third-party to provide technical assistance in implementing such repayment management plan; and

(iii) provide to the Secretary, on an annual basis or at such other intervals as the Secretary may require, evidence of on-time repayment rate improvement and successful implementation of such repayment management plan.

(c) APPEALS.—

(1) SECRETARIAL REQUIREMENTS.—The Secretary shall issue a decision on any appeal submitted by an institution under subsection (b)(1)(D) not later than 45 days after its submission. Such decision may permit the institution to continue to participate in a program under this title if—

(A) the institution demonstrates to the satisfaction of the Secretary that the Secretary's calculation of its on-time repayment rate is not accurate, and that recalculation would increase its on-time repayment rate above the applicable threshold percentage specified in subsection (b)(1)(B) for the period on which the determination of the institution's ineligibility under subsection (b)(1)(A) was based;

(B) the institution demonstrates to the satisfaction of the Secretary that there has been improper loan servicing, which, if remedied, would increase its on-time repayment rate above the applicable threshold percentage specified in subsection (b)(1)(B) for the period on which the determina-

tion of the institution's ineligibility under subsection (b)(1)(A) was based;

(C) there are, in the judgment of the Secretary, exceptional mitigating circumstances that would make the application of this section inequitable;

(D) for each of the 3 most recent fiscal years for which the institution submits to the Secretary disclosures on expenditures for purposes of section 132(i)(1)(AA), the sum of the expenditures on instruction and student services of the institution is equal to an amount greater than or equal to 50 percent of the institution's revenues derived from tuition and fees, and the institution complies with the requirements of subsection (b)(2)(B).

(2) INSTITUTIONAL REQUIREMENTS.—If an institution continues to participate in a program under this title, and the institution's appeal of the loss of eligibility is unsuccessful, the institution shall be required to pay to the Secretary an amount equal to the amount of interest, special allowance, reinsurance, and any related payments made by the Secretary (or which the Secretary is obligated to make) with respect to covered loans to students attending, or planning to attend, that institution during the pendency of such appeal. During such appeal, the Secretary may permit the institution to continue to participate in a program under this title.

(d) REGULATIONS.—The Secretary shall prescribe regulations designed to prevent an institution from evading the application to that institution of a on-time repayment rate determination under this section through the use of such measures as branching, consolidation, change of ownership or control, or any similar device.

(e) PUBLICATION.—The Secretary shall publish not less often than once every fiscal year (by September 30 of each year) a report—

(1) for each category of institution, and for each institution for which an on-time repayment rate is determined under this section—

(A) with respect to the preceding fiscal year—

(i) the on-time repayment rate for such institution;

(ii) the on-time repayment rate for each category of educational programs; and

(iii) the number of students on which the rates described in clauses (i) and (ii) are based; and

(B) for each of the 3 most recent fiscal years for which the institution submits to the Secretary disclosures on expenditures for purposes of section 132(i)(1)(AA)—

(i) the amount of the institution's expenditures on instruction;

(ii) the amount of revenue derived from tuition and fees by the institution; and

(iii) the quotient of the amount described in clause (i) divided by the amount described in clause (ii), expressed as a percentage; and

(2) each on-time repayment rate used for calculating each of the threshold rates under subsection (b)(1)(B) for the period determined appropriate by the Secretary for such threshold rate under such subsection.

(f) DEFINITIONS.—In this section:

(1) CATEGORY OF EDUCATIONAL PROGRAMS.—The term "category of educational programs" has the meaning given the term in section 435(a)(9)(E).

(2) CATEGORY OF INSTITUTION.—The term "category of institution" includes—

(A) four-year public institutions;
(B) four-year private nonprofit institutions;
(C) four-year proprietary institutions;
(D) two-year public institutions;
(E) two-year private nonprofit institutions;
(F) two-year proprietary institutions;
(G) less-than-two year public institutions;
(H) less-than-two year private nonprofit institutions; and
(I) less-than-two year proprietary institutions.

(3) COVERED LOAN.—

(A) IN GENERAL.—The term "covered loan" means a loan made, insured, or guaranteed under part B or D (other than an excepted PLUS Loan or an excepted consolidation Loan).

(B) EXCEPTED PLUS LOAN; EXCEPTED CONSOLIDATION LOAN.—The terms "excepted PLUS Loan" and "excepted consolidation Loan" have the meanings given such terms in section 493C(a).

(4) STUDENT SERVICES.—The term "student services" has the meaning given the term in section 498E(a)(2).

PART H—PROGRAM INTEGRITY

Subpart 1—State Role

SEC. 495. STATE RESPONSIBILITIES.

(a) STATE RESPONSIBILITIES.—As part of the integrity program authorized by this part, each State, through one State agency or several State agencies selected by the State, shall—

(1) furnish the Secretary, upon request, information with respect to the process for licensing or other authorization for institutions of higher education to operate within the State;

(2) notify the Secretary *and the accrediting agency or association involved* promptly whenever the State **[**revokes a license**]** *takes a negative action, or revokes a license,* or other authority to operate an institution of higher education; **[**and**]**

(3) notify the Secretary promptly whenever the State has credible evidence that an institution of higher education within the State—

(A) has committed fraud in the administration of the student assistance programs authorized by this title; or

(B) has substantially violated a provision of this title**[**.**]***;*

(4) evaluate each institution of higher education located in the State or seeking authorization to operate in the State to determine if such institution of higher education meets the applicable standards of the State relating to—

(A) facilities, equipment, and supplies; and

(B) measures of program length and other factors relevant for a student or graduate to receive a professional license from the State;

(5) certify to the Secretary that the State shall—

(A) accept student complaints from—

(i) all students attending an institution of higher education located in the State; and

(ii) all students who are residents of the State and attend an institution of higher education not located in the State through correspondence or distance education; and

(B) report to the Secretary and accrediting bodies—

(i) relevant student complaints received by the State, including multiple student complaints that present consistent allegations with respect to an institution of higher education in the State; and

(ii) such other complaints the Secretary determines necessary; and

(6) establish policies and procedures to anticipate and respond to the closure of an institution of higher education, which shall include—

(A) the maintenance of sufficient cash reserves (or an equivalent alternative) in accordance with regulations issued pursuant to section 498(c)(6)(A) to ensure repayment of any required refunds;

(B) a plan to address ensuring custodial record-keeping of institutional records and student transcripts in the case of such a closure;

(C) the maintenance of contact information adequate to ensure communication directly between the State and each student in the case of such a closure; and

(D) in the case of an institution of higher education located in the State, to develop a process to identify when a campus of such institution of higher education closes in any State.

(b) INSTITUTIONAL RESPONSIBILITY.—Each institution of higher education shall provide evidence to the Secretary that the institution has authority to operate within a State at the time the institution is certified under subpart 3.

Subpart 2—Accrediting Agency Recognition

SEC. 496. RECOGNITION OF ACCREDITING AGENCY OR ASSOCIATION.

(a) CRITERIA REQUIRED.—No accrediting agency or association may be determined by the Secretary to be a reliable authority as to the quality of education or training offered for the purposes of this Act or for other Federal purposes, unless the agency or association meets criteria established by the Secretary pursuant to this section. The Secretary shall, after notice and opportunity for a hearing, establish criteria for such determinations. Such criteria shall include an appropriate measure or measures of student achievement. Such criteria shall require that—

(1) the accrediting agency or association shall be a State, regional, or national agency or association and shall demonstrate the ability and the experience to operate as an accrediting agency or association within the State, region, or nationally, as appropriate;

(2) such agency or association—

(A)(i) for the purpose of participation in programs under this Act, has a voluntary membership of institutions of higher education and has as a principal purpose the accrediting of institutions of higher education; or

(ii) for the purpose of participation in other programs administered by the Department of Education or other Federal agencies, has a voluntary membership and has as its principal purpose the accrediting of institutions of higher education or programs;

(B) is a State agency approved by the Secretary for the purpose described in subparagraph (A); or

(C) is an agency or association that, for the purpose of determining eligibility for student assistance under this title, conducts accreditation through (i) a voluntary membership organization of individuals participating in a profession, or (ii) an agency or association which has as its principal purpose the accreditation of programs within institutions, which institutions are accredited by another agency or association recognized by the Secretary;

(3) if such agency or association is an agency or association described in—

(A) subparagraph (A)(i) of paragraph (2), then such agency or association is separate and independent, both administratively and financially of any related, associated, or affiliated trade association or membership organization*, and any institution described in clauses (i) through (v) of subsection (b)(1)(B)*;

(B) subparagraph (B) of paragraph (2), then such agency or association has been recognized by the Secretary on or before October 1, 1991; or

(C) subparagraph (C) of paragraph (2) and such agency or association has been recognized by the Secretary on or before October 1, 1991, then the Secretary may waive the requirement that such agency or association is separate and independent, both administratively and financially of any related, associated, or affiliated trade association or membership organization upon a demonstration that the existing relationship has not served to compromise the independence of its accreditation process;

(4)(A) such agency or association consistently applies and enforces standards that respect the stated mission of the institution of higher education, including religious missions, and that ensure that the courses or programs of instruction, training, or study offered by the institution of higher education, including distance education or correspondence courses or programs, are of sufficient quality to achieve, for the duration of the accreditation period, the stated objective for which the courses or the programs are offered; **[**and**]**

(B) if such agency or association has or seeks to include within its scope of recognition the evaluation of the quality of institutions or programs offering distance education or correspondence education, such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that—

(i) the agency or association's standards effectively address the quality of an institution's distance education or correspondence education in the areas identified in paragraph (5), except that—

(I) the agency or association shall not be required to have separate standards, procedures, or policies for the evaluation of distance education or correspondence education institutions or programs in order to meet the requirements of this subparagraph; and

(II) in the case that the agency or association is recognized by the Secretary, the agency or association shall not be required to obtain the approval of the Secretary to expand its scope of accreditation to include distance education or correspondence education, provided that the agency or association notifies the Secretary in writing of the change in scope; and

(ii) the agency or association requires an institution that offers distance education or correspondence education to have processes through which the institution establishes that the student who registers in a distance education or correspondence education course or program is the same student who participates in and completes the program and receives the academic credit;

(C) if such agency or association has or seeks to include within its scope of recognition the evaluation of the quality of institutions of higher education participating in the job training Federal Pell Grant program under section 401(k), such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that, with respect to such eligible job training program—

(i) the agency or association's standards include a process for determining if the institution has the capability to effectively provide an eligible job training program; and

(ii) the agency or association requires a demonstration that the program—

(I) has identified each recognized postsecondary credential offered and the corresponding industry or sector partnership that actively recognizes each credential in the State or local area in which the job training program is provided; and

(II) provides the academic content and amount of instructional time that is sufficient to—

(aa) meet the hiring requirements of potential employers; and

(bb) satisfy any applicable educational prerequisite requirement for professional license or certification, so that a student who completes the program and seeks employment is qualified to take any licensure or certification examination needed to practice or find employment in such sectors or occupations; and

(D) if such agency or association accredits or seeks to accredit institutions of higher education that seek to award

Federal Pell Grants under section 401(n) to incarcerated individuals for a course of study at such institution, such agency or association shall, in addition to meeting the other requirements of this subpart, demonstrate to the Secretary that—

(i) the agency or association's standards include a process for determining if the institution has the capability to effectively offer such a course of study to incarcerated individuals; and

(ii) the agency or association requires a demonstration that—

(I) such course of study is taught by faculty with experience and credentials comparable to the experience and credentials of faculty who teach courses of study available to non-incarcerated students enrolled at the institution;

(II) academic credits earned by incarcerated individuals for completion of a course of study are treated by the institution as the equivalent to credits earned by non-incarcerated students for an equivalent course;

(III) the institution provides sufficient educational content and resources to students enrolled in such a course of study that are, to the extent practicable, consistent with the educational content and resources available to non-incarcerated students; and

(IV) the institution has the capacity, staffing, and expertise to provide incarcerated individuals with the support and advising services necessary to select and successfully participate in such a course of study and, to the extent practicable, with support upon reentry (including career and academic advising);

(5) the standards for accreditation of the agency or association assess the institution's—

[(A) success with respect to student achievement in relation to the institution's mission, which may include different standards for different institutions or programs, as established by the institution, including, as appropriate, consideration of State licensing examinations, consideration of course completion, and job placement rates;

[(B) curricula;

[(C) faculty;

[(D) facilities, equipment, and supplies;

[(E) fiscal and administrative capacity as appropriate to the specified scale of operations;

[(F) student support services;

[(G) recruiting and admissions practices, academic calendars, catalogs, publications, grading and advertising;

[(H) measures of program length and the objectives of the degrees or credentials offered;

[(I) record of student complaints received by, or available to, the agency or association; and

[(J) record of compliance with its program responsibilities under title IV of this Act based on the most recent student loan default rate data provided by the Secretary, the results of financial or compliance audits, program reviews, and any such other information as the Secretary may provide to the agency or association;]

(A) success with respect to student achievement in relation to the institution's mission (except that the agencies and associations described in paragraph (2)(A)(ii) shall not be subject to this subparagraph), which—

(i) shall be assessed using at least 1 measure selected by the agency or association from the glossary of measures established and defined under section 4713(a)(1) of the College Affordability Act, or established by the agency or association, for each of the following outcomes—

(I) completion;

(II) progress toward completion; and

(III) workforce participation;

(ii) may be assessed using different measures selected or established under clause (i) for different institutions;

(iii) for each measure selected or established under clause (i), shall be assessed using a single performance benchmark established by the agency or association, except that an accrediting agency or association may establish a different performance benchmark for such a measure for each category of educational programs (as defined in section 435(a)(9)(E)); and

(iv) in the case of an institution defined in section 101(a), may include consideration of—

(I) the historical significance of the institution; and

(II) whether the institution is one of the only physical locations at which postsecondary education is provided in the geographic area;

(B) student achievement outcomes, disaggregated by the elements required in the postsecondary student data system under subclauses (I) through (X) of section 132(l)(2)(C)(ii) to facilitate institutional improvement and yield statistically reliable information that does not reveal personally identifiable information about an individual student;

(C) credentials, including consideration of the non-monetary value accruing to students pursuing such credentials;

(D) curricula, including—

(i) other than for the agencies and associations described in paragraph (2)(A)(ii), program length;

(ii) course sequencing; and

(iii) objectives related to credentialing;

(E) faculty;

(F) student support services;

(G) recruiting and admissions practices, academic calendars, catalogues, publications, and grading; and

(H) fiscal and administrative capacity (which shall include the institution's governance) as appropriate to the specified scale of operations;

except that subparagraphs (A), (H), and (J) shall not apply to agencies or associations described in paragraph (2)(A)(ii) of this subsection;

(6) such agency or association shall make available on a publicly accessible website, up-to-date information on—

(A) the institutions that are subject to the jurisdiction of such agency or association;

(B) the measures used to assess each of the outcomes described in subclauses (I) through (III) of paragraph (5)(A)(i);

(C) the performance benchmark established for each measure selected by the agency or association under paragraph (5)(A), the rationale for the establishment of such performance benchmark, and how such benchmarks are factored into the accreditation process;

(D) the process such agency or association follows when an institution subject to the jurisdiction of such agency or association does not meet an accreditation standard under section 496(a)(5); and

(E) any sanction or adverse action taken with respect to an institution and the reason for such sanction or adverse action;

[(6)**]** *(7)* such an agency or association shall establish and apply review procedures throughout the accrediting process, including evaluation and withdrawal proceedings, which comply with due process procedures that provide—

(A) for adequate written specification of—

(i) requirements, including clear standards for an institution of higher education or program to be accredited; and

(ii) identified deficiencies at the institution or program examined;

(B) for sufficient opportunity for a written response, by an institution or program, regarding any deficiencies identified by the agency or association to be considered by the agency or association—

(i) within a timeframe determined by the agency or association; and

(ii) prior to final action in the evaluation and withdrawal proceedings;

(C) upon the written request of an institution or program, for an opportunity for the institution or program to appeal any adverse action under this section, including denial, withdrawal, suspension, or termination of accreditation, taken against the institution or program, prior to such action becoming final at a hearing before an appeals panel that—

(i) shall not include current members of the agency's or association's underlying decisionmaking body that made the adverse decision; and

(ii) is subject to a conflict of interest policy;

(D) for the right to representation and participation by counsel for an institution or program during an appeal of the adverse action;

(E) for a process, in accordance with written procedures developed by the agency or association, through which an institution or program, before a final adverse action based solely upon a failure to meet a standard or criterion pertaining to finances, may on one occasion seek review of significant financial information that was unavailable to the institution or program prior to the determination of the adverse action, and that bears materially on the financial deficiencies identified by the agency or association;

(F) in the case that the agency or association determines that the new financial information submitted by the institution or program under subparagraph (E) meets the criteria of significance and materiality described in such subparagraph, for consideration by the agency or association of the new financial information prior to the adverse action described in such subparagraph becoming final; and

(G) that any determination by the agency or association made with respect to the new financial information described in subparagraph (E) shall not be separately appealable by the institution or program;

[(7)**]** *(8)* such agency or association shall notify the Secretary and the appropriate State licensing or authorizing agency within **[**30 days**]** *10 days* of the accreditation of an institution or any final denial, withdrawal, suspension, or termination of accreditation or placement on probation of an institution, together with any other adverse action taken with respect to an institution; and

[(8) such agency or association shall make available to the public, upon request, and to the Secretary, and the State licensing or authorizing agency a summary of any review resulting in a final accrediting decision involving denial, termination, or suspension of accreditation, together with the comments of the affected institution.**]**

(9) such agency or association shall—

(A) make available on its public website, and to the Secretary, and the State licensing or authorizing agency, a summary (including the decision and rationale for such decision) of any review resulting in a final accrediting decision involving denial, termination, or suspension of accreditation, together with the comments of the affected institution; and

(B) ensure that each institution that is the subject of a final accrediting decision described in subparagraph (A) makes available on its public website the summary described in subparagraph (A) (including the decision and rationale for such decision) with respect to such institution and the institution's comments; and

(10) such agency or association shall—

(A) ensure that any substantive change to the educational mission or a program of an institution after the agency or association has accredited or preaccredited the institution does not adversely affect the capacity of the institution to continue to meet the standards of such agency or association;

(B) require such an institution to obtain the approval of such agency or association with respect to such substantive change before the agency or association includes the change in the scope of accreditation or preaccreditation previously granted to the institution by such agency or association; and

(C) make public and report to the Secretary any decision made under subparagraph (B) and the rationale of such decision.

[(b) SEPARATE AND INDEPENDENT DEFINED.—For the purpose of subsection (a)(3), the term "separate and independent" means that—

[(1) the members of the postsecondary education governing body of the accrediting agency or association are not elected or selected by the board or chief executive officer of any related, associated, or affiliated trade association or membership organization;

[(2) among the membership of the board of the accrediting agency or association there shall be one public member (who is not a member of any related trade or membership organization) for each six members of the board, with a minimum of one such public member, and guidelines are established for such members to avoid conflicts of interest;

[(3) dues to the accrediting agency or association are paid separately from any dues paid to any related, associated, or affiliated trade association or membership organization; and

[(4) the budget of the accrediting agency or association is developed and determined by the accrediting agency or association without review or resort to consultation with any other entity or organization.]

(b) SEPARATE AND INDEPENDENT DEFINED.—For the purpose of subsection (a)(3), the term "separate and independent" means that—

(1) the members of the postsecondary education governing body and any other decision-making body of the accrediting agency or association are not—

(A) elected or selected by the board or chief executive officer of any related, associated, or affiliated trade association or membership organization; or

(B) individuals (such as executives and owners of an institution) who exercise substantial control over an institution—

(i) that is required to provide the Secretary with satisfactory evidence of its financial responsibility in accordance with paragraph (3)(A) of section 498(c) because the institution fails to meet criteria under paragraphs (1) and (2) of such section, except that this clause shall not be applicable to an institution until the Secretary has completed the rulemaking required under section 4721(b) of the College Affordability Act;

(ii) that is on a reimbursement payment method pursuant to section 487(c)(1)(B);

(iii) against which the Secretary is initiating or carrying out an emergency action in accordance with section 487(c)(1)(G);

(iv) against which the Secretary is limiting, suspending, or terminating the institution's participation in any program under this title in accordance with section 487(c)(1)(F); or

(v) that is on probation or show cause, or that is not accredited by an accrediting agency or association;

(2) among the membership of the board of the accrediting agency or association there shall be 1 public member for each 4 members of the board, with a minimum of 1 such public member, and guidelines are established for such members to avoid conflicts of interest, including guidelines ensuring that each such public member—

(A) is selected to serve on such board in the same manner that other board members are selected for such service;

(B) has not served on such board as a non-public member in the preceding 10 years;

(C) is not (or has not been in the preceding 5-year period) a full-time employee of, or a member of the governing board, an owner, or shareholder of, or consultant to, an institution or program that—

(i) is accredited or preaccredited by the agency or association; or

(ii) has applied for accreditation or preaccreditation from such agency or association;

(D) is not a member of any trade association or membership organization related to, affiliated with, or associated with the agency or association or an institution that is accredited by such agency or association; and

(E) is not a spouse, parent, child, or sibling of an individual identified in subparagraph (C) or (D);

(3) dues to the accrediting agency or association are paid separately from any dues paid to any related, associated, or affiliated trade association or membership organization; and

(4) the budget of the accrediting agency or association is developed and determined by the accrediting agency or association without review or resort to consultation with any other entity or organization.

(c) OPERATING PROCEDURES REQUIRED.—No accrediting agency or association may be recognized by the Secretary as a reliable authority as to the quality of education or training offered by an institution seeking to participate in the programs authorized under this title, unless the agency or association—

(1) performs, at regularly established intervals, on-site inspections and reviews of institutions of higher education (which may include unannounced site visits) with particular focus on educational quality and program effectiveness, and ensures that accreditation team members are well-trained and knowledgeable with respect to their responsibilities, including ⟦those regarding distance education⟧ *regarding distance education and the history and mission of the institutions reviewed*;

(2) monitors the growth *and decline* of programs at institutions that are experiencing significant enrollment growth *or decline*;

[(3) requires an institution to submit for approval to the accrediting agency a teach-out plan upon the occurrence of any of the following events:

[(A) the Department notifies the accrediting agency of an action against the institution pursuant to section 487(f);

[(B) the accrediting agency acts to withdraw, terminate, or suspend the accreditation of the institution; or

[(C) the institution notifies the accrediting agency that the institution intends to cease operations;]

(3) requires an institution to submit for approval to the accrediting agency or association a teach-out plan (as defined in section 487(f)(2)) and which shall meet the requirements of such agency or association) upon the occurrence of any of the following events:

(A) the Secretary notifies the agency or association that the Secretary has determined under section 498(c) that the institution does not have the financial responsibility required by this title, except that this subparagraph shall not be applicable to an institution until the Secretary has completed the rulemaking required under section 4721(b) of the College Affordability Act;

(B) the Secretary notifies the agency of a determination by the institution's independent auditor expressing doubt with the institution's ability to operate as a going concern or indicating an adverse opinion or finding of material weakness related to financial stability, except that this subparagraph shall not apply with respect to a public institution;

(C) the agency or association acts to place an institution on probation, show cause, or equivalent status; or

(D) the Secretary notifies the agency that the institution is participating in title IV under a provisional program participation agreement;

(4) requires that any institution of higher education subject to its jurisdiction which plans to establish a branch campus submit a business plan, including projected revenues and expenditures, prior to opening the branch campus;

(5) agrees to conduct, as soon as practicable, but within a period of not more than 6 months of the establishment of a new branch campus or a change of ownership of an institution of higher education, an on-site visit of that branch campus or of the institution after a change of ownership;

[(6) requires that teach-out agreements among institutions are subject to approval by the accrediting agency or association consistent with standards promulgated by such agency or association;]

(6) requires that teach-out agreements among institutions are subject to approval by the accrediting agency or association consistent with standards promulgated by such agency or association, and that such an agreement shall be required and subject to such approval upon the occurrence of any of the following events:

(A) the Secretary notifies the agency or association that—

(i) the Secretary has placed the institution on the reimbursement payment method pursuant to section 487(c)(1)(B); and

(ii) the institution fails to meet criteria prescribed by the Secretary regarding ratios that demonstrate financial responsibility as described in section 498(c)(2);

(B) the Secretary notifies the accrediting agency or association that the Secretary has initiated—

(i) an emergency action against the institution pursuant to section 487(c)(1)(G); or

(ii) an action under section 487(c)(1)(F) to limit, suspend, or terminate the participation of the institution in any program under this title;

(C) the accrediting agency or association acts to withdraw, terminate, or suspend the accreditation of the institution;

(D) the institution notifies the accrediting agency or association that the institution intends to cease operations;

(E) the institution notifies the accrediting agency or association that the institution intends to close a location that provides one hundred percent of at least one program; or

(F) pursuant to section 495, the State notifies the accrediting agency or association that an institution's license or legal authorization to operate within the State has been or will be revoked;

(7) *not later than 10 days after taking an action described in this paragraph,* makes available to the public and the State licensing or authorizing agency, and submits to the Secretary, a summary of agency or association actions, including—

(A) the award of accreditation or reaccreditation of an institution;

(B) final denial, withdrawal, suspension, or termination of accreditation of an institution, and any findings made in connection with the action taken, together with the official comments of the affected institution; and

(C) any other adverse action taken with respect to an institution or placement on probation of an institution;

(8) discloses publicly whenever an institution of higher education subject to its jurisdiction is being considered for accreditation or reaccreditation; and

(9) confirms, as a part of the agency's or association's review for accreditation or reaccreditation, that the institution has transfer of credit policies—

(A) that are publicly disclosed; and

(B) that include a statement of the criteria established by the institution regarding the transfer of credit earned at another institution of higher education**[**.**]***; and*

(10) responds to complaints received with respect to an institution during the period which the accrediting agency or association accredits such institution not later than 30 days after receiving the complaint (including complaints shared with the agency or association by the Secretary or a State agency under section 495), monitors and assesses an institution's record of student complaints during such period, and submits the com-

plaints relevant to the Secretary and to the State agency involved.

(d) LENGTH OF RECOGNITION.—No accrediting agency or association may be recognized by the Secretary for the purpose of this Act for a period of more than 5 years.

(e) INITIAL ARBITRATION RULE.—The Secretary may not recognize the accreditation of any institution of higher education unless the institution of higher education agrees to submit any dispute involving the final denial, withdrawal, or termination of accreditation to initial arbitration prior to any other legal action.

(f) JURISDICTION.—Notwithstanding any other provision of law, any civil action brought by an institution of higher education seeking accreditation from, or accredited by, an accrediting agency or association recognized by the Secretary for the purpose of this title and involving the denial, withdrawal, or termination of accreditation of the institution of higher education, shall be brought in the appropriate United States district court.

(g) LIMITATION ON SCOPE OF CRITERIA.—Nothing in this Act shall be construed to permit the Secretary to establish criteria for accrediting agencies or associations that are not required by this section. Nothing in this Act shall be construed to prohibit or limit any accrediting agency or association from adopting additional standards not provided for in this section. Nothing in this section shall be construed to permit the Secretary to establish any criteria that specifies, defines, or prescribes the standards that accrediting agencies or associations shall use to assess any institution's success with respect to student achievement.

(h) CHANGE OF ACCREDITING AGENCY.—The Secretary shall not recognize the accreditation of any otherwise eligible institution of higher education if the institution of higher education is in the process of changing its accrediting agency or association, unless the eligible institution submits to the Secretary all materials relating to the prior accreditation, including materials demonstrating reasonable cause for changing the accrediting agency or association.

(i) DUAL ACCREDITATION RULE.—The Secretary shall not recognize the accreditation of any otherwise eligible institution of higher education if the institution of higher education is accredited, as an institution, by more than one accrediting agency or association, unless the institution submits to each such agency and association and to the Secretary the reasons for accreditation by more than one such agency or association and demonstrates to the Secretary reasonable cause for its accreditation by more than one agency or association. If the institution is accredited, as an institution, by more than one accrediting agency or association, the institution shall designate which agency's accreditation shall be utilized in determining the institution's eligibility for programs under this Act.

(j) IMPACT OF LOSS OF ACCREDITATION.—An institution may not be certified or recertified as an institution of higher education under section 102 and subpart 3 of this part or participate in any of the other programs authorized by this Act if such institution—

(1) is not currently accredited by any agency or association recognized by the Secretary;

(2) has had its accreditation withdrawn, revoked, or otherwise terminated for cause during the preceding 24 months, un-

less such withdrawal, revocation, or termination has been rescinded by the same accrediting agency; or

(3) has withdrawn from accreditation voluntarily under a show cause or suspension order during the preceding 24 months, unless such order has been rescinded by the same accrediting agency.

(k) RELIGIOUS INSTITUTION RULE.—Notwithstanding subsection (j), the Secretary shall allow an institution that has had its accreditation withdrawn, revoked, or otherwise terminated, or has voluntarily withdrawn from an accreditation agency, to remain certified as an institution of higher education under section 102 and subpart 3 of this part for a period sufficient to allow such institution to obtain alternative accreditation, if the Secretary determines that the reason for the withdrawal, revocation, or termination—

(1) is related to the religious mission or affiliation of the institution; and

(2) is not related to the accreditation criteria provided for in this section.

(l) LIMITATION, SUSPENSION, OR TERMINATION OF RECOGNITION.—(1) If the Secretary determines that an accrediting agency or association has failed to apply effectively the criteria in this section, or is otherwise not in compliance with the requirements of this section, the Secretary shall—

(A) after notice and opportunity for a hearing, limit, suspend, or terminate the recognition of the agency or association; or

(B) require the agency or association to take appropriate action to bring the agency or association into compliance with such requirements within a timeframe specified by the Secretary, except that—

(i) such timeframe shall not exceed 12 months unless the Secretary extends such period for good cause; and

(ii) if the agency or association fails to bring the agency or association into compliance within such timeframe, the Secretary shall, after notice and opportunity for a hearing, limit, suspend, or terminate the recognition of the agency or association.

(2) The Secretary may determine that an accrediting agency or association has failed to apply effectively the standards provided in this section if an institution of higher education seeks and receives accreditation from the accrediting agency or association during any period in which the institution is the subject of any interim action by another accrediting agency or association, described in paragraph (2)(A)(i), (2)(B), or (2)(C) of subsection (a) of this section, leading to the suspension, revocation, or termination of accreditation or the institution has been notified of the threatened loss of accreditation, and the due process procedures required by such suspension, revocation, termination, or threatened loss have not been completed.

(m) LIMITATION ON THE SECRETARY'S AUTHORITY.—The Secretary may only recognize accrediting agencies or associations which accredit institutions of higher education for the purpose of enabling such institutions to establish eligibility to participate in the programs under this Act or which accredit institutions of higher education or higher education programs for the purpose of enabling them to establish eligibility to participate in other programs ad-

ministered by the Department of Education or other Federal agencies. *Nothing in this section shall prohibit the Secretary from implementing a process of recognition under this section which differs for the accrediting agencies or associations described in subsection (a)(2)(A)(ii) for the purposes of participation in programs (other than the programs under this Act) administered by the Department or other Federal agencies if such differentiation would be beneficial to taxpayers and the performance of such agencies or associations.*

(n) INDEPENDENT EVALUATION.—(1) The Secretary shall conduct a comprehensive review and evaluation of the performance of all accrediting agencies or associations which seek recognition by the Secretary in order to determine whether such accrediting agencies or associations meet the criteria established by this section. The Secretary shall conduct an independent evaluation of the information provided by such agency or association*, which shall include information on at least one institution of higher education representing each of the sectors subject to the jurisdiction of the accrediting agency or association (including public, nonprofit, and proprietary, as applicable) of the representative member institutions*. Such evaluation shall include—

(A) the solicitation of third-party information concerning the performance of the accrediting agency or association*, and for purposes of facilitating such third-party information, the Secretary shall make publicly available the application of the accrediting agency or association seeking recognition by the Secretary upon publishing in the Federal Register the solicitation for such third-party information*; and

(B) site visits, including unannounced site visits as appropriate, at accrediting agencies and associations, and, at the Secretary's discretion, at representative member institutions.

(2) The Secretary shall place a priority for review of accrediting agencies or associations on those agencies or associations that accredit institutions of higher education that participate most extensively in the programs authorized by this title and on those agencies or associations which have been the subject of the most complaints or legal actions.

(3) The Secretary shall consider all available relevant information concerning the compliance of the accrediting agency or association with the criteria provided for in this section, including any complaints or legal actions against such agency or association. In cases where deficiencies in the performance of an accreditation agency or association with respect to the requirements of this section are noted, the Secretary shall take these deficiencies into account in the recognition process. The Secretary shall not, under any circumstances, base decisions on the recognition or denial of recognition of accreditation agencies or associations on criteria other than those contained in this section. When the Secretary decides to recognize an accrediting agency or association, the Secretary shall determine the agency or association's scope of recognition. If the agency or association reviews institutions offering distance education courses or programs and the Secretary determines that the agency or association meets the requirements of this section, then the agency shall be recognized and the scope of recognition shall include accreditation of institutions offering distance education courses or programs.

(4) The Secretary shall maintain sufficient documentation to support the conclusions reached in the recognition process, and, if the Secretary does not recognize any accreditation agency or association, shall make publicly available the reason for denying recognition, including reference to the specific criteria under this section which have not been fulfilled.

(5) In the case in which an official of the Department (other than the Secretary) makes a decision on the recognition of an accrediting agency or association that differs from the recommendation made by the National Advisory Committee on Institutional Quality and Integrity on such recognition, without regard to whether any appeals process with respect to such decision has been concluded, the official shall submit to the authorizing committees the rationale and evidence for such decision.

(6) During the first 90-day period of each fiscal year, the Secretary shall submit to the authorizing committees the following information with respect to the preceding fiscal year—

(A) information about each accrediting agency that the Secretary reviews and evaluates under this subsection;

(B) the recommendation of the National Advisory Committee on Institutional Quality and Integrity about whether to recognize such accrediting agency or association and the rationale for such recommendation;

(C) in the case in which an official of the Department (other than the Secretary) makes a decision on the recognition of such accrediting agency or association (without regard to whether any appeals process with respect to such decision has been concluded), such decision and the rationale for such decision; and

(D) the final decision of the Secretary on the recognition of such accrediting agency or association and the rationale for such final decision.

(o) REGULATIONS.—The Secretary shall by regulation provide procedures for the recognition of accrediting agencies or associations and for the appeal of the Secretary's decisions. Notwithstanding any other provision of law, the Secretary shall not promulgate any regulation with respect to the standards of an accreditation agency or association described in subsection (a)(5).

(p) RULE OF CONSTRUCTION.—Nothing in subsection (a)(5) shall be construed to restrict the ability of—

(1) an accrediting agency or association to set, with the involvement of its members, and to apply, accreditation standards for or to institutions or programs that seek review by the agency or association; or

(2) an institution to develop and use institutional standards to show its success with respect to student achievement, which achievement may be considered as part of any accreditation review.

(q) REVIEW OF SCOPE CHANGES.—The Secretary shall require a review, at the next available meeting of the National Advisory Committee on Institutional Quality and Integrity, of any change in scope undertaken by an agency or association under subsection (a)(4)(B)(i)(II) if the enrollment of an institution that offers distance education or correspondence education that is accredited by such agency or association increases by 50 percent or more within any one institutional fiscal year.

(r) EVALUATION OF QUALITY AND ACHIEVEMENT MEASURES.—

(1) IN GENERAL.—The Secretary shall direct the National Advisory Committee on Institutional Quality and Integrity to—

(A) regularly evaluate the effectiveness of the measures selected and the performance benchmarks established by accrediting agencies and associations under subsection (a)(5)(A); and

(B) compare similarly situated accrediting agencies or associations, whose similarity may not be determined solely by the educational sector to which the institutions being evaluated belong, based on the measures and performance benchmarks used in subsection (a)(5)(A) by such agencies and associations.

(2) REVISING PERFORMANCE BENCHMARKS.—The Secretary may require an accrediting agency or association to review and revise a performance benchmark established by such agency or association if the Secretary determines that such performance benchmark is too low for the measure for which such benchmark is established.

(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to give the Secretary that authority to require the use of a specific performance benchmark by an accrediting agency or association for purposes of subsection (a)(5)(A).

(s) REPORT ON RECOGNIZED INSTITUTIONAL ACCREDITORS REQUIRED.—Not later than 180 days after the date of the enactment of the College Affordability Act, and annually thereafter, the Secretary shall publish a report that includes with respect to each accrediting agency or association recognized under this section by the Secretary, the following:

(1) The number of institutions of higher education evaluated by such accrediting agency or association in each educational sector.

(2) The number of locations of such institutions of higher education.

(3) The number of students enrolled at such institutions of higher education.

(4) The number of students receiving a Federal Pell Grant at such institutions of higher education in the preceding year.

(5) The total amount of Federal student aid received by students enrolled at such institutions of higher education in the preceding year.

(6) The graduation rates of such institutions of higher education.

(7) The median earnings of students 10 years after enrollment.

(8) The number of institutions placed on a reimbursement payment method pursuant to section 487(c)(1)(B).

(t) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit an institution of higher education from seeking accreditation, in a manner consistent with the requirements of subsections (h), (i), and (l)(2), from an accrediting agency or association that is accrediting a branch campus of such institution in the State in which the institution is located.

Subpart 3—Eligibility and Certification Procedures

SEC. 498. ELIGIBILITY AND CERTIFICATION PROCEDURES.

(a) GENERAL REQUIREMENT.—For purposes of qualifying institutions of higher education for participation in programs under this title, the Secretary shall determine the legal authority to operate within a State, the accreditation status, and the administrative capability and financial responsibility of an institution of higher education in accordance with the requirements of this section.

(b) SINGLE APPLICATION FORM.—The Secretary shall prepare and prescribe a single application form which—

(1) requires sufficient information and documentation to determine that the requirements of eligibility, accreditation, financial responsibility, and administrative capability of the institution of higher education are met;

(2) requires a specific description of the relationship between a main campus of an institution of higher education and all of its branches, including a description of the student aid processing that is performed by the main campus and that which is performed at its branches;

(3) requires—

(A) a description of the third party servicers of an institution of higher education; and

(B) the institution to maintain a copy of any contract with a financial aid service provider or loan servicer, and provide a copy of any such contract to the Secretary upon request;

(4) requires such other information as the Secretary determines will ensure compliance with the requirements of this title with respect to eligibility, accreditation, administrative capability and financial responsibility; [and]

(5) provides, at the option of the institution, for participation in one or more of the programs under part B or D[.]*; and*

(6) includes an addendum under which an institution of higher education shall report a change in circumstances described in subparagraph (A)(ii) or clauses (ii) or (iii) of subparagraph (B) of subsection (c)(8), not later than 30 days after the date on which such change in circumstance occurs.

(c) FINANCIAL RESPONSIBILITY STANDARDS.—(1) The Secretary shall determine whether an institution has the financial responsibility required by this title on the basis of whether the institution is able—

(A) to provide the services described in its official publications and statements;

(B) to provide the administrative resources necessary to comply with the requirements of this title; [and]

(C) to meet all of its financial obligations, including (but not limited to) refunds of institutional charges and repayments to the Secretary for liabilities and debts incurred in programs administered by the Secretary[.]*; and*

(D) the institution is not an institution described in paragraph (7)(B).

(2) Notwithstanding paragraph (1), if an institution fails to meet criteria prescribed by the Secretary regarding ratios that dem-

onstrate financial responsibility, then the institution shall provide the Secretary with satisfactory evidence of its financial responsibility in accordance with paragraph (3). Such criteria shall take into account any differences in generally accepted accounting principles, and the financial statements required thereunder, that are applicable to for-profit, public, and nonprofit institutions. The Secretary shall take into account an institution's total financial circumstances in making a determination of its ability to meet the standards herein required.

(3) The Secretary shall determine an institution to be financially responsible, notwithstanding the institution's failure to meet the criteria under paragraphs (1) and (2), if—

(A) such institution submits to the Secretary third-party financial guarantees that the Secretary determines are reasonable, such as performance bonds or letters of credit payable to the Secretary, which third-party financial guarantees shall equal not less than one-half of the annual potential liabilities of such institution to the Secretary for funds under this title, including loan obligations discharged pursuant to section 437, and to students for refunds of institutional charges, including funds under this title;

(B) such institution has its liabilities backed by the full faith and credit of a State, or its equivalent;

(C) such institution has a rating of investment grade or above from a recognized credit rating agency;

[(C)**]** *(D)* such institution establishes to the satisfaction of the Secretary, with the support of a financial statement audited by an independent certified public accountant in accordance with generally accepted auditing standards, that the institution has sufficient resources to ensure against the precipitous closure of the institution, including the ability to meet all of its financial obligations (including refunds of institutional charges and repayments to the Secretary for liabilities and debts incurred in programs administered by the Secretary); or

[(D)**]** *(E)* such institution has met standards of financial responsibility, prescribed by the Secretary by regulation, that indicate a level of financial strength not less than those required in paragraph (2).

(4) If an institution of higher education that provides a 2-year or 4-year program of instruction for which the institution awards an associate or baccalaureate degree fails to meet the criteria imposed by the Secretary pursuant to paragraph (2), the Secretary shall waive that particular requirement for that institution if the institution demonstrates to the satisfaction of the Secretary that—

(A) there is no reasonable doubt as to its continued solvency and ability to deliver quality educational services;

(B) it is current in its payment of all current liabilities, including student refunds, repayments to the Secretary, payroll, and payment of trade creditors and withholding taxes; and

(C) it has substantial equity in school-occupied facilities, the acquisition of which was the direct cause of its failure to meet the criteria.

(5) The determination as to whether an institution has met the standards of financial responsibility provided for in paragraphs (2) and (3)(C) shall be based on an audited and certified financial

statement of the institution. Such audit shall be conducted by a qualified independent organization or person in accordance with standards established by the American Institute of Certified Public Accountants. Such statement shall be submitted to the Secretary at the time such institution is considered for certification or recertification under this section. If the institution is permitted to be certified (provisionally or otherwise) and such audit does not establish compliance with paragraph (2), the Secretary may require that additional audits be submitted.

(6)(A) The Secretary shall establish requirements for the maintenance by an institution of higher education of sufficient cash reserves to ensure repayment of any required refunds.

(B) The Secretary shall provide for a process under which the Secretary shall exempt an institution of higher education from the requirements described in subparagraph (A) if the Secretary determines that the institution—

(i) is located in a State that has a tuition recovery fund that ensures that the institution meets the requirements of subparagraph (A);

(ii) contributes to the fund; and

(iii) otherwise has legal authority to operate within the State.

(7) PROHIBITED FINANCIAL RESPONSIBILITY DETERMINATIONS.—

(A) IN GENERAL.—The Secretary may not determine that an institution has the financial responsibility required by this title if such institution is an institution described in subparagraph (B).

(B) SPECIFIED INSTITUTION.—An institution described in this subparagraph is—

(i) a private non-profit institution of higher education or a proprietary institution of higher education (as defined in section 102(b)) that—

(I) is required by the accrediting agency of such institution to submit a teach-out plan under section 487(f);

(II) with respect to the preceding 2 fiscal years, has an adjusted cohort default rate (as determined under section 435(m)) of 20 percent or greater, unless the institution files a challenge, request for adjustment, or appeal under section 435(a) with respect to such rates for one or both of such fiscal years; or

(III) is subject to a number of pending or approved borrower relief claims under section 493H from borrowers that equals or exceeds, with respect to the prior academic year, half of the enrollment of full-time equivalent students at such institution;

(ii) a proprietary institution of higher education (as defined in section 102(b)) that—

(I) is publicly traded; and

(II)(aa) is sanctioned by the Securities and Exchange Commission;

(bb) fails to file a required annual or quarterly report with the Securities and Exchange Commission; or

(cc) the stock of which is delisted; or

(iii) a proprietary institution of higher education (as defined in section 102(b))—

(I) that derived, for any award year beginning on or after July 1, 2022, more than 85 percent of the revenue of the institution from Federal education assistance funds; or

(II) fails to meet criteria prescribed by the Secretary regarding ratios that demonstrate financial responsibility, and has any withdrawal of owner's equity from the institution by any means, including by declaring a dividend.

(8) CHANGE IN CIRCUMSTANCES.—

(A) REQUIRED REDETERMINATION.—

(i) IN GENERAL.—In the case of a private non-profit institution of higher education or a proprietary institution of higher education (as defined in section 102(b)) that submits an addendum described in clause (ii) or (iii) to the Secretary, the Secretary shall, not later than 30 days after such addendum is submitted, redetermine whether such institution meets the requirements of this subsection.

(ii) SPECIFIED CIRCUMSTANCES.—An institution of higher education shall submit an addendum under subsection (b)(6) if, with respect to such institution of higher education, one of the following occurs:

(I) The institution is required to pay any material debt, as determined by the Secretary, or incur any material liability, as determined by the Secretary, arising from a final judgment in a judicial proceeding, an administrative proceeding or determination, or settlement.

(II) The institution is involved in a lawsuit that is brought on or after the date of the enactment of College Affordability Act by a Federal or State authority for financial relief on claims related to the making of loans under part D of title IV.

(III) Such other circumstance the Secretary determines necessary.

(iii) GAINFUL EMPLOYMENT DETERMINATION BY SECRETARY.—An institution of higher education shall submit an addendum under subsection (b)(6) if the Secretary makes a determination that such institution has programs that could become ineligible under gainful employment (as defined in section 104) in the next award year.

(B) PERMISSIBLE REDETERMINATION.—

(i) REDETERMINATION.—In the case of an institution that submits an addendum under clause (ii), the Secretary may, not later than 30 days after such addendum is submitted, redetermine whether such institution meets the requirements of this subsection.

(ii) SPECIFIED CIRCUMSTANCES.—The Secretary shall require an institution to submit an addendum under subsection (b)(6) if the Secretary makes a determination—

(I) that the Secretary will likely receive a significant number of borrower relief claims under section 493H as the result of a lawsuit, settlement, or judgement against the institution; or

(II) that the institution experienced one of the following:

(aa) A significant fluctuation in enrollments between consecutive award years or a period of award years.

(bb) A citation by a State licensing or authorizing agency for failing State or agency requirements.

(cc) High annual drop out rates.

(dd) Pending borrower relief claims under section 493H.

(C) FINANCIAL CIRCUMSTANCES MATERIALS.—If the institution's financial circumstances materially change after the institution submits an addendum under subsection (b)(6), such institution shall submit to the Secretary such certified financial statements and other information as the Secretary may require.

(9) TRANSPARENCY.—Beginning not later than 90 days after the date of the enactment of this paragraph, and not less than once every 120 days thereafter, the Secretary shall make publicly available on the website of the Department the following:

(A) The ratios used to demonstrate financial responsibility under this section.

(B) Each reports made to the Secretary under this section.

(C) Each audited financial statement submitted to the Secretary by an institution of higher education under this section.

(D) Each certified financial statement submitted to the Secretary under paragraph (8)(C).

(d) ADMINISTRATIVE CAPACITY STANDARD.—The Secretary is authorized—

(1) to establish procedures and requirements relating to the administrative capacities of institutions of higher education, including—

(A) consideration of past performance of institutions or persons in control of such institutions with respect to student aid programs; and

(B) maintenance of records; and

(2) to establish such other reasonable procedures as the Secretary determines will contribute to ensuring that the institution of higher education will comply with administrative capability required by this title.

(e) FINANCIAL GUARANTEES FROM OWNERS.—(1) Notwithstanding any other provision of law, the Secretary may, to the extent necessary to protect the financial interest of the United States, require—

(A) financial guarantees from an institution participating, or seeking to participate, in a program under this title, or from one or more individuals who the Secretary determines, in accordance with paragraph (2), exercise substantial control over such institution, or both, in an amount determined by the Secretary to be sufficient to satisfy the institution's potential liability to the Federal Government, student assistance recipients, and other program participants for funds under this title; and

(B) the assumption of personal liability, by one or more individuals who exercise substantial control over such institution, as determined by the Secretary in accordance with paragraph (2), for financial losses to the Federal Government, student assistance recipients, and other program participants for funds under this title, and civil and criminal monetary penalties authorized under this title.

(2)(A) The Secretary may determine that an individual exercises substantial control over one or more institutions participating in a program under this title if the Secretary determines that—

(i) the individual directly or indirectly controls a substantial ownership interest in the institution;

(ii) the individual, either alone or together with other individuals, represents, under a voting trust, power of attorney, proxy, or similar agreement, one or more persons who have, individually or in combination with the other persons represented or the individual representing them, a substantial ownership interest in the institution; or

(iii) the individual is a member of the board of directors, the chief executive officer, or other executive officer of the institution or of an entity that holds a substantial ownership interest in the institution.

(B) The Secretary may determine that an entity exercises substantial control over one or more institutions participating in a program under this title if the Secretary determines that the entity directly or indirectly holds a substantial ownership interest in the institution.

(3) For purposes of this subsection, an ownership interest is defined as a share of the legal or beneficial ownership or control of, or a right to share in the proceeds of the operation of, an institution or institution's parent corporation. An ownership interest may include, but is not limited to—

(A) a sole proprietorship;

(B) an interest as a tenant-in-common, joint tenant, or tenant by the entireties;

(C) a partnership; or

(D) an interest in a trust.

(4) The Secretary shall not impose the requirements described in subparagraphs (A) and (B) of paragraph (1) on an institution that—

(A) has not been subjected to a limitation, suspension, or termination action by the Secretary or a guaranty agency within the preceding 5 years;

(B) has not had, during its 2 most recent audits of the institutions conduct of programs under this title, an audit finding that resulted in the institution being required to repay an

amount greater than 5 percent of the funds the institution received from programs under this title for any year;

(C) meets and has met, for the preceding 5 years, the financial responsibility standards under subsection (c); and

(D) has not been cited during the preceding 5 years for failure to submit audits required under this title in a timely fashion.

(5) For purposes of section 487(c)(1)(G), this section shall also apply to individuals or organizations that contract with an institution to administer any aspect of an institution's student assistance program under this title.

(6) Notwithstanding any other provision of law, any individual who—

(A) the Secretary determines, in accordance with paragraph (2), exercises substantial control over an institution participating in, or seeking to participate in, a program under this title;

(B) is required to pay, on behalf of a student or borrower, a refund of unearned institutional charges to a lender, or to the Secretary; and

(C) willfully fails to pay such refund or willfully attempts in any manner to evade payment of such refund,

shall, in addition to other penalties provided by law, be liable to the Secretary for the amount of the refund not paid, to the same extent with respect to such refund that such an individual would be liable as a responsible person for a penalty under section 6672(a) of Internal Revenue Code of 1986 with respect to the nonpayment of taxes.

(f) ACTIONS ON APPLICATIONS AND SITE VISITS.—The Secretary shall ensure that prompt action is taken by the Department on any application required under subsection (b). The personnel of the Department of Education may conduct a site visit at each institution before certifying or recertifying its eligibility for purposes of any program under this title. The Secretary shall establish priorities by which institutions are to receive site visits, and shall, to the extent practicable, coordinate such visits with site visits by States, guaranty agencies, and accrediting bodies in order to eliminate duplication, and reduce administrative burden.

(g) TIME LIMITATIONS ON, AND RENEWAL OF, ELIGIBILITY.—

(1) GENERAL RULE.—After the expiration of the certification of any institution under the schedule prescribed under this section (as this section was in effect prior to the enactment of the Higher Education Act Amendments of 1998), or upon request for initial certification from an institution not previously certified, the Secretary may certify the eligibility for the purposes of any program authorized under this title of each such institution for a period not to exceed 6 years.

(2) NOTIFICATION.—The Secretary shall notify each institution of higher education not later than 6 months prior to the date of the expiration of the institution's certification.

(3) INSTITUTIONS OUTSIDE THE UNITED STATES.—The Secretary shall promulgate regulations regarding the recertification requirements applicable to an institution of higher education outside of the United States that meets the requirements of section 102(a)(1)(C) and received less than $500,000

in funds under part B for the most recent year for which data are available.

(h) PROVISIONAL CERTIFICATION OF INSTITUTIONAL ELIGIBILITY.—(1) Notwithstanding subsections (d) and (g), the Secretary may provisionally certify an institution's eligibility to participate in programs under this title—

(A) for not more than one complete award year in the case of an institution of higher education seeking an initial certification; and

(B) for not more than 3 complete award years if—

(i) the institution's administrative capability and financial responsibility is being determined for the first time;

(ii) there is a complete or partial change of ownership, as defined under subsection (i), of an eligible institution; or

(iii) the Secretary determines that an institution that seeks to renew its certification is, in the judgment of the Secretary, in an administrative or financial condition that may jeopardize its ability to perform its financial responsibilities under a program participation agreement.

(2) Whenever the Secretary withdraws the recognition of any accrediting agency, an institution of higher education which meets the requirements of accreditation, eligibility, and certification on the day prior to such withdrawal, the Secretary may, notwithstanding the withdrawal, continue the eligibility of the institution of higher education to participate in the programs authorized by this title for a period not to exceed 18 months from the date of the withdrawal of recognition.

(3) If, prior to the end of a period of provisional certification under this subsection, the Secretary determines that the institution is unable to meet its responsibilities under its program participation agreement, the Secretary may terminate the institution's participation in programs under this title.

(i) TREATMENT OF CHANGES OF OWNERSHIP.—(1) An eligible institution of higher education that has had a change in ownership resulting in a change of control shall not qualify to participate in programs under this title after the change in control (except as provided in paragraph (3)) unless it establishes that it meets the requirements of section 102 (other than the requirements in subsections (b)(5) and (c)(3)) and this section after such change in control.

(2) An action resulting in a change in control may include (but is not limited to)—

(A) the sale of the institution or the majority of its assets;

(B) the transfer of the controlling interest of stock of the institution or its parent corporation;

(C) the merger of two or more eligible institutions;

(D) the division of one or more institutions into two or more institutions;

(E) the transfer of the controlling interest of stock of the institutions to its parent corporation; **[**or**]**

(F) the transfer of the liabilities of the institution to its parent corporation**[**.**]***; or*

(G) the transfer of ownership as a result of a court-ordered receivership.

(3) An action that may be treated as not resulting in a change in control includes (but is not limited to)—

(A) the sale or transfer, upon the death of an owner of an institution, of the ownership interest of the deceased in that institution to a family member or to a person holding an ownership interest in that institution; or

(B) another action determined by the Secretary to be a routine business practice.

(4)(A) The Secretary may provisionally certify an institution seeking approval of a change in ownership based on the preliminary review by the Secretary of a materially complete application that is received by the Secretary within 10 business days of the transaction for which the approval is sought.

(B) A provisional certification under this paragraph shall expire not later than the end of the month following the month in which the transaction occurred, except that if the Secretary has not issued a decision on the application for the change of ownership within that period, the Secretary may continue such provisional certification on a month-to-month basis until such decision has been issued.

(j) TREATMENT OF BRANCHES.—(1) A branch of an eligible institution of higher education, as defined pursuant to regulations of the Secretary, shall be certified under this subpart before it may participate as part of such institution in a program under this title, except that such branch shall not be required to meet the requirements of sections 102(b)(1)(E) and 102(c)(1)(C) prior to seeking such certification. Such branch is required to be in existence at least 2 years after the branch is certified by the Secretary as a branch campus participating in a program under this title, prior to seeking certification as a main campus or free-standing institution.

(2) The Secretary may waive the requirement of section 101(a)(2) for a branch that (A) is not located in a State, (B) is affiliated with an eligible institution, and (C) was participating in one or more programs under this title on or before January 1, 1992.

(k) TREATMENT OF TEACH-OUTS AT ADDITIONAL LOCATIONS.—

(1) IN GENERAL.—A location of a closed institution of higher education shall be eligible as an additional location of an eligible institution of higher education, as defined pursuant to regulations of the Secretary, for the purposes of a teach-out described in section 487(f), if such teach-out has been approved by the institution's accrediting agency.

(2) SPECIAL RULE.—An institution of higher education that conducts a teach-out through the establishment of an additional location described in paragraph (1) shall be permitted to establish a permanent additional location at a closed institution and shall not be required—

(A) to meet the requirements of sections 102(b)(1)(E) and 102(c)(1)(C) for such additional location; or

(B) to assume the liabilities of the closed institution.

SEC. 498A. PROGRAM REVIEW AND DATA.

(a) GENERAL AUTHORITY.—In order to strengthen the administrative capability and financial responsibility provisions of this title, the Secretary—

(1) shall provide for the conduct of program reviews on a systematic basis designed to include all institutions of higher education participating in programs authorized by this title;

(2) shall give priority for program review to institutions of higher education that are—

[(A) institutions with a cohort default rate for loans under part B of this title in excess of 25 percent or which places such institutions in the highest 25 percent of such institutions;]

(A) institutions with an adjusted cohort default rate for loans under part D in excess of 18 percent or which places such institutions in the highest 25 percent of such institutions;

(B) institutions with a default rate in dollar volume for loans under part B of this title which places the institutions in the highest 25 percent of such institutions;

(C) institutions with a significant fluctuation in Federal Stafford Loan volume, Federal Direct Stafford/Ford Loan volume, or Federal Pell Grant award volume, or any combination thereof, in the year for which the determination is made, compared to the year prior to such year, that are not accounted for by changes in the Federal Stafford Loan program, the Federal Direct Stafford/Ford Loan program, or the Pell Grant program, or any combination thereof;

(D) institutions reported to have deficiencies or financial aid problems by the State licensing or authorizing agency, or by the appropriate accrediting agency or association;

(E) institutions with high annual dropout rates; and

(F) such other institutions that the Secretary determines may pose a significant risk of failure to comply with the administrative capability or financial responsibility provisions of this title; and

(3) shall establish and operate a central data base of information on institutional accreditation, eligibility, and certification that includes—

(A) all relevant information available to the Department;

(B) all relevant information made available by the Secretary of Veterans Affairs;

(C) all relevant information from accrediting agencies or associations;

(D) all relevant information available from a guaranty agency; and

(E) all relevant information available from States under subpart 1.

(b) SPECIAL ADMINISTRATIVE RULES.—In carrying out paragraphs (1) and (2) of subsection (a) and any other relevant provisions of this title, the Secretary shall—

(1) establish guidelines designed to ensure uniformity of practice in the conduct of program reviews of institutions of higher education;

(2) make available to each institution participating in programs authorized under this title complete copies of all review guidelines and procedures used in program reviews;

(3) permit the institution to correct or cure an administrative, accounting, or recordkeeping error if the error is not part

of a pattern of error and there is no evidence of fraud or misconduct related to the error;

(4) base any civil penalty assessed against an institution of higher education resulting from a program review or audit on the gravity of the violation, failure, or misrepresentation;

(5) inform the appropriate State and accrediting agency or association whenever the Secretary takes action against an institution of higher education under this section, section 498, or section 432;

(6) provide to an institution of higher education an adequate opportunity to review and respond to any program review report and relevant materials related to the report before any final program review report is issued;

(7) review and take into consideration an institution of higher education's response in any final program review report or audit determination, and include in the report or determination—

(A) a written statement addressing the institution of higher education's response;

(B) a written statement of the basis for such report or determination; and

(C) a copy of the institution's response; and

(8) maintain and preserve at all times the confidentiality of any program review report until the requirements of paragraphs (6) and (7) are met, and until a final program review is issued, other than to the extent required to comply with paragraph (5), except that the Secretary shall promptly disclose any and all program review reports to the institution of higher education under review.

(c) UNDERCOVER OPERATIONS.—In carrying out paragraphs (1) and (2) of subsection (a) and any other relevant provisions of this subpart, the Secretary—

(1) shall conduct undercover and secret shopper operations for the purpose of encouraging the ethical treatment of students and prospective students and detecting fraud and abuse in the Federal student aid programs, including—

(A) violations described in section 487(c)(3);

(B) violations of section 487(a)(20); and

(C) violations by any entity with which the institution has contracted for student recruitment or admission activity;

(2) shall develop written guidelines for the conduct of activities under paragraph (1) in accordance with commonly-accepted Federal practices for undercover operations and in consultation with other relevant agencies, including the Department of Justice, Federal Trade Commission, Consumer Financial Protection Bureau, and the Department of Education's Office of Inspector General; and

(3) shall provide an annual report on the results of activities under paragraph (1) to the authorizing committees, and thereafter shall make the report available to the public.

[(c)**]** *(d)* DATA COLLECTION RULES.—The Secretary shall develop and carry out a plan for the data collection responsibilities described in paragraph (3) of subsection (a). The Secretary shall make the information obtained under such paragraph (3) readily avail-

able to all institutions of higher education, guaranty agencies, States, and other organizations participating in the programs authorized by this title.

[(d)] *(e)* TRAINING.—The Secretary shall provide training to personnel of the Department, including criminal investigative training, designed to improve the quality of financial and compliance audits and program reviews conducted under this title.

[(e)] *(f)* SPECIAL RULE.—The provisions of section 103(b) of the Department of Education Organization Act shall not apply to Secretarial determinations made regarding the appropriate length of instruction for programs measured in clock hours.

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Subpart 4—Strengthening Institutional Quality

SEC. 498C. ASSISTANCE TO PROGRESS PERIOD INSTITUTIONS.

(a) IN GENERAL.—The Secretary shall provide grants and technical assistance to covered progress period institutions in accordance with this section.

(b) AUTHORIZED ACTIVITIES.—Grants and assistance provided under this section shall be used to improve student achievement (as described in section 496(a)(5)(A)) at covered progress period institutions.

(c) DURATION.—Grants and assistance may be provided under this section for a period of not less than one year and not more than three years.

(d) CONDITIONS.—

(1) BENCHMARKS.—

(A) IN GENERAL.—To continue to receive support under this section after the first year in which such support is provided, an institution must show progress, as determined by the Secretary, toward meeting the standards for student achievement established by the relevant accrediting agency or association pursuant to section 496(a)(5)(A).

(B) CONSIDERATIONS.—In determining the progress of an institution under subparagraph (A), the Secretary may take into consideration extenuating circumstances that may have contributed to the poor performance of the institution in the first year of the review period.

(2) DEADLINE FOR COMPLIANCE.—An institution that does not achieve an adjusted cohort default rate of less than 10 percent after receiving support under this section for three consecutive years shall be ineligible to receive further support under this section.

(3) PROHIBITION.—An institution shall be ineligible to receive further support under this section if, while the institution was receiving such support, the total enrollment of low-income students (as such term is defined in section 419N(b)(7)) at the institution decreased by 10 percent or more.

(e) COVERED PROGRESS PERIOD INSTITUTION.—In this section, the term "covered progress period institution" means—

(1) a public institution of higher education that is determined to be in progress period status;

(2) a part B institution (as defined in section 322) that is determined to be in progress period status; or

(3) a private, nonprofit institution of higher education—

(A) that is determined to be in progress period status; and

(B) at which not less than 45 percent of the total student enrollment consists of low-income students (as such term is defined in section 419N(b)(7)).

(f) FUNDING.—

(1) IN GENERAL.—There are authorized to be appropriated, and there are appropriated, such funds as the Secretary, using the formula described in paragraph (2), determines necessary to meet the needs of all eligible institutions under this subsection, except that such funds shall not exceed $100,000,000 for fiscal year 2021 and each succeeding fiscal year. Such funds shall be available until expended.

(2) FORMULA.—Not later than 1 year after the date of the enactment of this section, the Secretary shall establish through negotiated rulemaking a formula to determine the—

(A) proportional amount of institutional need under this section; and

(B) total amount of institutional need under this section.

(3) SPECIAL RULE.—Such formula must at minimum take into consideration the severity of the problem, size of the institution, institutional resources, historical underfunding, and the number of low-income students (as such term is defined in section 419N(b)(7)) being served.

SEC. 498D. RESTRICTIONS ON CERTAIN EXPENDITURES.

(a) ESTABLISHING DEFINITIONS.—

(1) IN GENERAL.—For purposes of each survey conducted under the Integrated Postsecondary Education Data System after the date of enactment of the College Affordability Act and this Act, the Secretary shall define the following terms:

(A) Marketing.

(B) Recruitment.

(C) Advertising.

(D) Lobbying.

(E) Student services.

(2) EXCLUSION OF CERTAIN ACTIVITIES.—In defining the term "student services" under paragraph (1)(E), the Secretary shall ensure that such term does not include marketing, recruitment, advertising, or lobbying.

(b) LIMITATION ON EXPENDITURES.—In a case in which the Secretary determines with respect to an institution of higher education participating in any program under this title that, for any of the 3 most recent institutional fiscal years after the promulgation of regulations by the Secretary defining the terms in subsection (a)(1) for which the institution submits to the Secretary disclosures on the expenditures of the institution on instruction for purposes of section 132(i)(1)(AA), the amount expended by such institution on instruction for such fiscal year is less than an amount equal to ⅓ of institution's revenues derived from tuition and fees—

(1) for any institutional fiscal year after such determination is made, the sum of the amount expended by the institution on marketing, recruitment, advertising, and lobbying may not ex-

ceed the amount of the institution's revenues derived from sources other than Federal education assistance funds; and

(2) in a case in which the institution fails to meet the requirements of paragraph (1) for 2 consecutive institutional fiscal years, the institution shall be ineligible to participate in the programs authorized by this title for a period of not less than two institutional fiscal years.

(c) PUBLICATION ON WEBSITE.—The Secretary shall, on an annual basis, publicly disclose on the Department's website, information with respect to any institution of higher education that is subject to the requirements of subsection (b)(1), including—

(1) the quotient of the amount that the institution expends on instruction divided by the institution's revenues derived from tuition and fees, expressed as a percentage;

(2) the sum of such institution's expenditures on advertising, recruiting, marketing, and lobbying;

(3) the amount of such institution's revenues received from sources outside of Federal education assistance funds; and

(4) the difference between paragraphs (2) and (3).

SEC. 498E. INSTITUTIONAL DISCLOSURE SYSTEM.

(a) DEPARTMENTAL DISCLOSURE.—The Secretary shall make available, on a publicly accessible website of the Department of Education, a list of institutions of higher education that—

(1) have failed to meet the requirements for accreditation by an agency or association recognized by the Secretary pursuant to section 496(a); or

(2) have failed to meet the requirements for participation in programs under this title.

(b) INSTITUTIONAL DISCLOSURE.—

(1) IN GENERAL.—To be eligible to participate in programs under this title, an institution of higher education shall, using the template developed by the Secretary under subsection (c), disclose the accreditation status of the institution on a publicly accessible website of the institution.

(2) UPDATES.—Any change in the accreditation status of an institution of higher education shall be disclosed in accordance with paragraph (1) not later than 30 days after such change occurs.

(c) TEMPLATE.—The Secretary shall develop a template that shall be used by institutions of higher education to make the disclosures required under subsection (b). The Secretary shall ensure that the template—

(1) clearly identifies the information to be disclosed; and

(2) is in a format that is easily understood by consumers.

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PART J—AMERICA'S COLLEGE PROMISE FEDERAL-STATE PARTNERSHIP

Subpart 1—State and Indian Tribe Grants for Community Colleges

SEC. 499A. IN GENERAL.

From amounts appropriated under section 499G for any fiscal year, the Secretary shall award grants to eligible States and Indian tribes to pay the Federal share of expenditures needed to carry out the activities and services described in section 499E.

SEC. 499B. FEDERAL SHARE; NON-FEDERAL SHARE.

(a) FEDERAL SHARE.—

(1) FORMULA.—Subject to paragraph (2), the Federal share of a grant under this subpart shall be based on a formula, determined by the Secretary, that—

(A) accounts for the State or Indian tribe's share of eligible students;

(B) accounts for the ratio between a State or Indian tribe's funding per full-time equivalent (FTE) student at public colleges and universities and the average net price at State public four-year colleges and universities, in such a way as to reward States that keep net prices for students low while maintaining their investment in higher education; and

(C) provides, for each eligible student in the State or Indian tribe, a per-student amount that is at least 75 percent of—

(i) for the 2021–2022 award year, the average resident community college tuition and fees per student in all States for the most recent year for which data are available; and

(ii) for each subsequent award year, the amount determined under this subparagraph for the preceding award year, increased by the lesser of—

(I) a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) since the date of such determination; or

(II) 3 percent.

(2) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In any case in which not less than 75 percent of the students at the community colleges operated or controlled by an Indian tribe are low-income students, the amount of the Federal share for such Indian tribe shall be not less than 95 percent of the total amount needed to waive tuition and fees for all eligible students enrolled in such community colleges.

(b) STATE OR TRIBAL SHARE.—

(1) FORMULA.—

(A) IN GENERAL.—The State or tribal share of a grant under this subpart for each fiscal year shall be the amount needed to pay 25 percent of the average community college resident tuition and fees per student in all States in the 2021–2022 award year for all eligible students in the State

or Indian tribe, respectively, for such fiscal year, except as provided in subparagraph (B).

(B) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In the case of an Indian tribe described in subsection (a)(2), the amount of such Indian tribe's tribal share shall not exceed 5 percent of the total amount needed to waive tuition and fees for all eligible students enrolled in such community colleges.

(2) NEED-BASED AID.—A State or Indian tribe may include, as part of the State or tribal share, any need-based financial aid that—

(A) is provided from State or tribal funds to an eligible student; and

(B) may be used by such student to pay costs of attendance other than tuition and fees.

(3) NO IN-KIND CONTRIBUTIONS.—A State or Indian tribe shall not include in-kind contributions for purposes of the State or tribal share described in paragraph (1).

(c) DETERMINING NUMBER OF ELIGIBLE STUDENTS.—

(1) IN GENERAL.—The Secretary of Education shall develop and implement a process for accurately estimating the number of eligible students in a State or Indian tribe for purposes of subsection (a) and (b).

(2) INITIAL DETERMINATION.—For the first year for which grants are awarded under this subpart, the number of eligible students in a State or Indian tribe shall be considered to be equal to the number of eligible students that were in the State or tribe for the preceding school year.

(d) ADJUSTMENT OF GRANT AMOUNT.—Not later than 180 days after the date on which a State or Indian tribe receives a grant under this subpart, the Secretary shall—

(1) in consultation with the State or tribe concerned, determine whether the actual number of eligible students in the State or Tribe for the year covered by the grant is greater than the estimated number of such students that was used to determine the amount of the grant; and

(2) if it is determined under paragraph (1) that the actual number of eligible students in the State or Tribe is higher than such estimate, issue a supplementary grant payment to the State or tribe in an amount that ensures that the total amount of the grant funds received by the State or tribe under this subpart for the year covered by the grant accurately reflects the higher number of eligible students.

SEC. 499C. APPLICATIONS.

(a) SUBMISSION.—In order to receive a grant under this subpart, a State or tribe shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(b) CONTENTS.—Each application under subsection (a) shall include, at a minimum—

(1) an estimate of the number of eligible students in the State or Indian tribe and the cost of waiving community college resident tuition and fees for all eligible students for each fiscal year covered by the grant;

(2) an assurance that all community colleges in the State or under the jurisdiction of the Indian tribe, respectively, will waive resident tuition and fees for eligible students in accordance with section 499D(a);

(3) a description of the promising and evidence-based institutional reforms and innovative practices to improve student outcomes, including transfer and completion rates, that have been or will be adopted by the participating community colleges, such as—

(A) providing comprehensive academic and student support services, including mentoring and advising, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education;

(B) the provision of direct support services such as—

(i) childcare, transportation, emergency financial assistance, and mental health and substance use disorder treatment;

(ii) assistance in obtaining health insurance coverage;

(iii) assistance securing affordable housing;

(iv) efforts to address food insecurity and campus hunger; and

(v) efforts to facilitate student participation in means-tested Federal benefit programs (as defined in section 479(d));

(C) providing accelerated learning opportunities, such as dual or concurrent enrollment programs, including early college high school programs;

(D) strengthening and reforming remedial and developmental education, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education, including through the use of multiple measures (such as a student's college entrance examination score, grade point average, high school course list, or a placement examination) to identify students in need of remedial education; or

(E) utilizing career pathways, including through building capacity for career and technical education as defined in section 3(5) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302(5)) and programs of study as defined in section 3(41) of such Act (20 U.S.C. 2302(41)), or degree pathways;

(4) a description of how the State or Indian tribe will ensure that programs leading to a recognized postsecondary credential meet the quality criteria established by the State under section 123(a) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3153(a)) or other quality criteria determined appropriate by the State or Indian tribe;

(5) an assurance that all participating community colleges in the State or under the authority of the Indian tribe have entered into program participation agreements under section 487;

(6) an assurance that the State or Indian tribe will, to the extent practicable, assist eligible students in obtaining informa-

tion about and accessing means-tested Federal benefit programs (as defined in section 479(d)) for which such students may be eligible;

(7) an assurance that, for each year of the grant, the State or Indian tribe will notify each eligible student of the student's remaining eligibility for assistance under this subpart; and

(8) if the application is submitted by a State—

(A) an assurance that the State will, to the extent practicable, consider changes to State law that will enable more community college students to be eligible for means-tested Federal benefit programs (as defined in section 479(d));

(B) an assurance that the State will meet the requirements of section 499D(b)(1) relating to the alignment of secondary and postsecondary education; and

(C) an assurance that the State will meet the requirements of section 499D(b)(2) relating to the improvement of transfer pathways between institutions of higher education.

SEC. 499D. PROGRAM REQUIREMENTS.

(a) GENERAL REQUIREMENTS FOR STATES AND INDIAN TRIBES.—As a condition of receiving a grant under this subpart a State or Indian tribe shall meet the following requirements:

(1) For each year of the grant the total amount of community college resident tuition and fees charged to an eligible student in the State or Indian tribe shall be $0.

(2) For each year of the grant no amount of financial assistance for which an eligible student qualifies may be applied to such tuition or fees.

(b) STATE REQUIREMENTS.—As a condition of receiving a grant under this subpart a State shall meet the following requirements:

(1) ALIGNMENT OF K–12 AND HIGHER EDUCATION.—

(A) IN GENERAL.—The State shall—

(i) submit a plan to align the requirements for receiving a regular high school diploma from public high schools in the State with the requirements for entering credit-bearing coursework at participating community colleges in such State; and

(ii) not later than three years after the date on which the State first receives a grant under this subpart, certify to the Secretary that such alignment has been achieved.

(B) FAILURE TO CERTIFY.— If a State does not provide the certification required under subparagraph (A) by the date specified in such subparagraph, the State shall submit to the Secretary, at such time and in such manner as the Secretary may require—

(i) a written explanation for the delay in making the certification; and

(ii) a plan that will enable the State to make the certification by not later than 5 years after the date on which the State first received a grant under this subpart.

(2) TRANSFER PATHWAYS.—

(A) IN GENERAL.—The State shall—

(i) submit a plan, developed in collaboration with faculty from institutions of higher education in the

State, to improve transfer pathways between institutions of higher education in the State, including by ensuring that associate degrees awarded by public institutions in the State are fully transferable to, and credited as, the first 2 years of related baccalaureate programs at public institutions of higher education in such State; and

(ii) not later than 3 years after the date on which the State first receives a grant under this subpart, certify to the Secretary that an associate degree in an academic major in the arts or sciences that is awarded by a public institution of higher education in the State on or after the date that is not later than 3 years after the date on which the State first receives a grant under this subpart shall be fully transferrable to, and credited as, the first 2 years of a related baccalaureate program at a public institution of higher education in such State.

(B) FAILURE TO CERTIFY.— If a State does not provide the certification required under subparagraph (A) by the date specified in such subparagraph, the State shall submit to the Secretary, at such time and in such manner as the Secretary may require—

(i) a written explanation for the delay in making the certification; and

(ii) a plan that will enable the State to make the certification by not later than 5 years after the date on which the State first received a grant under this subpart.

(3) APPLICABILITY.—The Secretary may not apply the requirements under this subsection to an Indian tribe.

SEC. 499E. ALLOWABLE USES OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b), a State or Indian tribe shall use a grant under this subpart only to provide funds to participating community colleges to enable such community colleges to waive resident tuition and fees for eligible students as required under section 499D(a).

(b) ADDITIONAL USES.—If a State or Indian tribe demonstrates to the Secretary that it has grant funds remaining after meeting the demand for activities described in subsection (a), the State or Indian tribe may use those funds to carry out one or more of the following:

(1) Enhancing the quality of public higher education to improve student outcomes, including transfer and completion rates, which may include investing in the academic workforce.

(2) Expanding the scope and capacity of high-quality academic and occupational skills training programs at community colleges, which may include collaboration with one or more industry or sector partnership (as defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3201)).

(3) Improving postsecondary education readiness in the State or Indian tribe, including through outreach and early intervention.

(4) Expanding access to dual or concurrent enrollment programs, including early college high school programs.

(5) Improving affordability at 4-year public institutions of higher education.

(c) USE OF FUNDS FOR ADMINISTRATIVE PURPOSES.—A State or Indian tribe that receives a grant under this subpart may not use any funds provided under this subpart for administrative purposes relating to the grant under this subpart.

(d) MAINTENANCE OF EFFORT.—A State or Indian tribe receiving a grant under this subpart is entitled to receive its full allotment of funds under this subpart for a fiscal year only if, for each year of the grant, the State or Indian tribe provides—

(1) financial support for public higher education at a level equal to or exceeding the average amount provided per full-time equivalent student for public institutions of higher education for the three consecutive preceding fiscal years. In making the calculation under this subsection, the State or Indian tribe shall—

(A) exclude capital expenses and research and development costs; and

(B) include need-based financial aid for students who attend public institutions of higher education;

(2) financial support for operational expenses for public, four-year colleges and universities at a level equal to or exceeding the average amount provided for the three consecutive preceding State or Indian tribe fiscal years; and

(3) financial support for need-based financial aid at a level equal to or exceeding the average amount provided for the three consecutive preceding State or Indian tribe fiscal years.

(e) ANNUAL REPORT A State or Indian tribe receiving a grant under this subpart shall submit an annual report to the Secretary describing the uses of grant funds under this subpart, the progress made in fulfilling the requirements of the grant, and rates of transfer, graduation, and attainment of recognized postsecondary credentials at participating community colleges, including such rates disaggregated by race, income, and age, and including any other information as the Secretary may require.

(f) REPORTING BY SECRETARY.—The Secretary annually shall—

(1) compile and analyze the information described in subsection (e); and

(2) prepare and submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives containing the analysis described in paragraph (1) and an identification of State and Indian tribe best practices for achieving the purpose of this subpart.

(g) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to eligible States and Indian tribes concerning best practices regarding the promising and evidence-based institutional reforms and innovative practices to improve student outcomes and shall disseminate such best practices among the States and Indian tribes.

(h) CONTINUATION OF FUNDING.—

(1) IN GENERAL.—A State or Indian tribe receiving a grant under this subpart for a fiscal year may continue to receive funding under this subpart for future fiscal years conditioned

on the availability of budget authority and on meeting the requirements of the grant, as determined by the Secretary.

(2) DISCONTINUATION.—The Secretary may discontinue funding of the Federal share of a grant under this subpart if the State or Indian tribe has violated the terms of the grant or is not making adequate progress in implementing the reforms described in the application submitted under section 499C.

(i) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this subpart shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

SEC. 499F. DEFINITIONS.

In this subpart:

(1) CAREER PATHWAY.—The term "career pathway" has the meaning given the term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(2) COMMUNITY COLLEGE.—The term "community college" means a public institution of higher education at which the highest degree that is predominantly awarded to students is an associate's degree, including 2-year tribally controlled colleges under section 316 and public 2-year State institutions of higher education.

(3) DUAL OR CONCURRENT ENROLLMENT PROGRAM.—The term "dual or concurrent enrollment program" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(4) EARLY COLLEGE HIGH SCHOOL.—The term "early college high school" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(5) ELIGIBLE STUDENT.—

(A) DEFINITION.—The term "eligible student" means a student who—

(i) attends the community college on not less than a half-time basis;

(ii) is maintaining satisfactory progress (as defined in section 484(c)) in the student's course of study;

(iii) is enrolled in an eligible program (as defined in section 481(b)); and

(iv) either—

(I) qualifies for in-State resident community college tuition, as determined by the State or Indian tribe; or

(II) would qualify for such in-State resident community college tuition, but for the immigration status of such student.

(B) SPECIAL RULE.—An otherwise eligible student shall lose eligibility 3 calendar years after first receiving benefits under this subpart.

(6) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

(7) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101.

(8) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term "recognized postsecondary credential" has the meaning as described in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(9) STATE.—The term "State" has the meaning given the term in section 103.

SEC. 499G. APPROPRIATIONS.

(a) AUTHORIZATION AND APPROPRIATIONS.—For the purpose of making grants under this subpart there are authorized to be appropriated, and there are appropriated—

(1) $1,569,700,000 for fiscal year 2021;
(2) $3,472,880,000 for fiscal year 2022;
(3) $4,431,950,000 for fiscal year 2023;
(4) $6,204,030,000 for fiscal year 2024;
(5) $8,119,870,000 for fiscal year 2025;
(6) $9,297,430,000 for fiscal year 2026;
(7) $11,708,890,000 for fiscal year 2027;
(8) $14,971,330,000 for fiscal year 2028;
(9) $15,619,910,000 for fiscal year 2029; and
(10) $16,296,080,000 for fiscal year 2030 and each succeeding fiscal year.

(b) AVAILABILITY.—Funds appropriated under subsection (a) shall remain available to the Secretary until expended.

(c) INSUFFICIENT FUNDS.—If the amount appropriated under subsection (a) for a fiscal year is not sufficient to award each participating State and Indian tribe a grant under this subpart that is equal to the minimum amount of the Federal share described in section 499B, the Secretary may ratably reduce the amount of each such grant or take other actions necessary to ensure an equitable distribution of such amount.

Subpart 2—Student Success Fund

SEC. 499H. IN GENERAL.

From amounts appropriated under section 499N for any fiscal year, the Secretary shall carry out a grant program (to be known as the Student Success Fund) to make grants to eligible entities to carry out the activities and services described in section 499L.

SEC. 499I. ALLOCATION.

(a) FEDERAL SHARE ALLOCATION.—The Federal share of a grant under this subpart shall be determined using the formula determined under section 499B(1).

(b) MATCHING FUNDS.—

(1) IN GENERAL.—Except as provided in paragraph (2), an eligible entity participating in the program under this subpart shall provide, from non-Federal sources, in cash or in-kind—

(A) in each of the first, second, third, and fourth year of participation in the program, an amount equal to 25 percent of the amount such entity received under subsection (a) with respect to such year;

(B) in each of the fifth and sixth year of participation in the program, an amount equal to 50 percent of the amount such entity received under subsection (a) with respect to such year;

(C) in each of the seventh and eighth year of participation in the program, an amount equal to 75 percent of the amount such entity received under subsection (a) with respect to such year; and

(D) in each ninth year and each subsequent year thereafter of participation in the program, an amount equal to 100 percent of the amount such entity received under subsection (a) with respect to such year.

(2) EXCEPTION FOR CERTAIN INDIAN TRIBES.—The Secretary may waive the matching fund requirements under paragraph (1) in the case of an eligible entity that is an Indian tribe if at least 75 percent of the students at the institutions of higher education operated or controlled by such Indian tribe are low-income students.

(3) REALLOTMENT.—If an eligible entity returns to the Secretary any portion of the sums allocated to such eligible entity under this section for any fiscal year, the Secretary shall reallot such excess as part of the available appropriated amount for the succeeding fiscal year.

(c) SUPPLEMENT, NOT SUPPLANT.—Grant funds awarded under this subpart shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities assisted under this subpart.

(d) LIMITATION.—An eligible entity may only participate in the program under this subpart in a year in which such entity receives a grant under subpart 1.

SEC. 499J. APPLICATIONS.

(a) IN GENERAL.—To be eligible to participate in the program under this subpart, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

(1) a plan that includes—

(A) the amount of funds requested by the eligible entity under this subpart and the intended use of such funds;

(B) how the eligibility entity will use the requested funds to implement promising and evidence-based institutional reforms and innovative practices to improve student outcomes, including those identified by such entity under section 499C(b)(3), and including annual implementation benchmarks that the entity will use to track progress in implementing such reforms and practices;

(C) how the eligible entity will meet its matching fund requirements under section 499I(b);

(D) if the eligible entity is a State, how such eligible entity will prioritize spending on the public institutions of higher education specified in paragraph (2)(B); and

(E) the improvements the eligible entity anticipates in student outcomes, including improvements in transfer rates or completion rates, or both.

(2) if the eligible entity is a State, an analysis that includes—

(A) with respect to each public institution of higher education of the eligible entity—

(i) the total per-student funding;

(ii) the amount of per-student funding from State-appropriated funds;

(iii) the student demographics (including, data on race, income, disability status, and remediation); and

(iv) transfer and completion rates, including such rates among low-income students, students of color, students with disabilities, and students in need of remediation; and

(B) an analysis of whether, of the public institutions of higher education of the eligible entity, the public institutions of higher education that received less funding on a per-student basis described in clause (i) or (ii), or both, of subparagraph (A), are serving disproportionately high shares of low-income students, students of color, students with disabilities, or students in need of remediation.

(b) APPROVAL.—

(1) IN GENERAL.—Not later than 180 days after receiving a plan under subsection (a), the Secretary shall—

(A) approve the plan; or

(B) require revisions to such plan.

(2) REVISIONS REQUIRED.—An eligible entity shall make such revisions as required by the Secretary under paragraph (1)(B).

(c) PUBLICATION.—The Secretary shall make each plan approved under subsection (b)(1)(A) and each plan revised under subsection (b)(2) available to the public on the website of the Department.

SEC. 499K. PROGRAM REQUIREMENTS.

(a) GENERAL REQUIREMENTS.—

(1) REPORT ON DEMONSTRATED PROGRESS.—For the third year in which an eligible entity participates in the program under this subpart, and every 2 years thereafter, the eligible entity shall submit a report to the Secretary, in such manner and containing such information as the Secretary may require, that includes—

(A) the progress in meeting the annual implementation benchmarks included in the application of such eligible entity under section 499J(a)(1)(B);

(B) the progress in improving the student outcomes identified by the entity under section 499(J)(a)(1)(E); and

(C) with respect to the 2 years after such report is submitted—

(i) a plan for the use of funds under this subpart; and

(ii) the amount of funds requested by the eligible entity under this subpart.

(2) APPROVAL.—Not later than 180 days after receiving a plan under paragraph (1)(C)(i), the Secretary shall—

(A) approve the plan; or

(B) require revisions to such plan.

(3) REVISIONS REQUIRED.—An eligible entity shall make such revisions as required by the Secretary under paragraph (2)(B).

(b) FAILURE TO MEET REQUIREMENTS.— If an eligible entity does not meet the annual implementation benchmarks included in the application of such eligible entity under section 499J(a)(1)(B), as required to be reported under subsection (a)(1)(A), such eligible entity shall submit to the Secretary, at such time and in such manner as the Secretary may require—

(1) a written explanation for the delay in meeting such requirements; and

(2) a plan that will enable such eligible entity to meet such requirements not later than 1 year after the date on which the eligible entity submitted the written explanation under paragraph (1).

(c) PUBLICATION.—The Secretary shall make each plan approved under subsection (a)(2)(A), each plan revised under subsection (a)(3), and each plan submitted under subsection (b)(2) available to the public on the website of the Department.

SEC. 499L. ALLOWABLE USES OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b), an eligible entity shall use a grant under this subpart only to allocate funds in accordance with the plan submitted for such year under section 499J(a)(1).

(b) USE OF FUNDS FOR ADMINISTRATIVE PURPOSES.—An eligible entity that receives a grant under this subpart may use not more than 10 percent of such grant for administrative purposes relating to the grant under this subpart.

SEC. 499M. ELIGIBLE ENTITY DEFINED.

In this subpart, the term "eligible entity" means a State or Indian tribe that received a grant under subpart 1 for the fiscal year in which such State or Indian tribe receives a grant under this subpart.

SEC. 499N. APPROPRIATIONS.

(a) AUTHORIZATION AND APPROPRIATIONS.—For the purpose of making grants under this subpart there are authorized to be appropriated and there are appropriated $500,000,000 for fiscal year 2021 and each succeeding fiscal year.

(b) AVAILABILITY.—Funds appropriated under subsection (a) shall remain available to the Secretary until expended.

Subpart 3—Grants to Historically Black Colleges and Universities, Tribal Colleges and Universities, and Minority-serving Institutions

SEC. 499O. PATHWAYS TO STUDENT SUCCESS FOR HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

(a) IN GENERAL.—From amounts appropriated under section 499S(a) for any fiscal year, the Secretary shall award grants to participating 4-year historically black colleges or universities that meet the requirements of subsection (b) to—

(1) encourage students to enroll and successfully complete a bachelor's degree at participating institutions;

(2) provide incentives to community college students to transfer to participating institutions through strong transfer pathways to complete a bachelor's degree program; and

(3) support participating institutions to better serve new and existing students by engaging in reforms and innovations designed to improve completion rates and other student outcomes.

(b) ELIGIBILITY.—To be eligible to receive a grant under the program under this section, an institution shall be a historically black college or university that—

(1) has a student body of which not less than 35 percent are low-income students;

(2) commits to maintaining or adopting and implementing promising and evidence-based institutional reforms and innovative practices to improve the completion rates and other student outcomes, such as—

(A) providing comprehensive academic and student support services, including mentoring and advising, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education;

(B) providing direct support services such as—

(i) childcare, transportation, emergency financial assistance, and mental health and substance use disorder treatment;

(ii) assistance in obtaining health insurance coverage;

(iii) assistance securing affordable housing;

(iv) efforts to address food insecurity and campus hunger; and

(v) efforts to facilitate student participation in means-tested Federal benefit programs (as defined in section 479(d));

(C) providing accelerated learning opportunities and degree pathways, such as dual enrollment and pathways to graduate and professional degree programs;

(D) partnering with employers, industry, not-for-profit associations, and other groups to provide opportunities to advance learning outside the classroom, including work-based learning opportunities such as internships or apprenticeships or programs designed to improve inter-cultural development and personal growth, such as foreign exchange and study abroad programs; or

(E) strengthening remedial education, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education, including through the use of multiple measures (such as a student's college entrance examination score, grade point average, high school course list, or a placement examination) to identify students in need of remedial education;

(3) sets performance goals for improving student outcomes for the duration of the grant; and

(4) if receiving a grant for transfer students, has articulation agreements with community colleges at the national, State, or local level to ensure that community college credits can fully transfer to the participating institution.

(c) GRANT AMOUNT.—

(1) INITIAL AMOUNT.—For the first year that an eligible institution participates in the grant program under this section and subject to paragraph (3), such eligible institution shall receive a grant in an amount based on the product of—

(A) the actual cost of tuition and fees at the eligible institution in such year (referred to in this section as the per-student rebate); and

(B) the number of eligible students enrolled in the eligible institution for the preceding year.

(2) SUBSEQUENT INCREASES.—For each succeeding year after the first year of the grant program under this section, each participating eligible institution shall receive a grant in the amount determined under paragraph (1) for such year, except that in no case shall the amount of the per-student rebate for an eligible institution increase by more than 3 percent as compared to the amount of such rebate for the preceding year.

(3) LIMITATIONS.—

(A) MAXIMUM PER-STUDENT REBATE.—No eligible institution participating in the grant program under this section shall receive a per-student rebate amount for any year that is greater than the national average of annual tuition and fees at public 4-year institutions of higher education for such year, as determined by the Secretary.

(B) FIRST-YEAR TUITION AND FEES.—During the first year of participation in the grant program under this section, no eligible institution may increase tuition and fees at a rate greater than any annual increase at the eligible institution in the previous 5 years.

(d) APPLICATION.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(e) USE OF FUNDS.—Funds awarded under this section to a participating eligible institution shall be used to waive or significantly reduce tuition and fees for eligible students in an amount of not more than up to the annual per-student rebate amount for each student, for not more than the first 60 credits an eligible student enrolls in the participating eligible institution.

(f) SUPPLEMENT, NOT SUPPLANT.—Funds made available under section 499S to carry out this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

SEC. 499P. PATHWAYS TO STUDENT SUCCESS FOR TRIBAL COLLEGES AND UNIVERSITIES.

(a) IN GENERAL.—From amounts appropriated under section 499S(a) for any fiscal year, the Secretary shall award grants to participating 4-year Tribal Colleges or Universities that meet the requirements of subsection (b) to—

(1) encourage students to enroll and successfully complete a bachelor's degree at participating institutions;

(2) provide incentives to community college students to transfer to participating institutions through strong transfer pathways to complete a bachelor's degree program; and

(3) support participating institutions to better serve new and existing students by engaging in reforms and innovations designed to improve completion rates and other student outcomes.

(b) ELIGIBILITY.—To be eligible to receive a grant under the program under this section, an institution shall be a Tribal College or University that—

(1) has a student body of which not less than 35 percent are low-income students;

(2) commits to maintaining or adopting and implementing promising and evidence-based institutional reforms and innovative practices to improve the completion rates and other student outcomes, such as—

(A) providing comprehensive academic and student support services, including mentoring and advising, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education;

(B) providing direct support services such as—

(i) childcare, transportation, emergency financial assistance, and mental health and substance use disorder treatment;

(ii) assistance in obtaining health insurance coverage;

(iii) assistance securing affordable housing;

(iv) efforts to address food insecurity and campus hunger; and

(v) efforts to facilitate student participation in means-tested Federal benefit programs (as defined in section 479(d));

(C) providing accelerated learning opportunities and degree pathways, such as dual enrollment and pathways to graduate and professional degree programs;

(D) partnering with employers, industry, not-for-profit associations, and other groups to provide opportunities to advance learning outside the classroom, including work-based learning opportunities such as internships or apprenticeships or programs designed to improve inter-cultural development and personal growth, such as foreign exchange and study abroad programs; or

(E) strengthening remedial education, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education, including through the use of multiple measures (such as a student's college entrance examination score, grade point average, high school course list, or a placement examination) to identify students in need of remedial education;

(3) sets performance goals for improving student outcomes for the duration of the grant; and

(4) if receiving a grant for transfer students, has articulation agreements with community colleges at the national, State, or local level to ensure that community college credits can fully transfer to the participating institution.

(c) GRANT AMOUNT.—

(1) INITIAL AMOUNT.—For the first year that an eligible institution participates in the grant program under this section and subject to paragraph (3), such eligible institution shall receive a grant in an amount based on the product of—

(A) the actual cost of tuition and fees at the eligible institution in such year (referred to in this section as the per-student rebate); and

(B) the number of eligible students enrolled in the eligible institution for the preceding year.

(2) SUBSEQUENT INCREASES.—For each succeeding year after the first year of the grant program under this section, each participating eligible institution shall receive a grant in the amount determined under paragraph (1) for such year, except that in no case shall the amount of the per-student rebate for an eligible institution increase by more than 3 percent as compared to the amount of such rebate for the preceding year.

(3) LIMITATIONS.—

(A) MAXIMUM PER-STUDENT REBATE.—No eligible institution participating in the grant program under this section shall receive a per-student rebate amount for any year that is greater than the national average of annual tuition and fees at public 4-year institutions of higher education for such year, as determined by the Secretary.

(B) FIRST-YEAR TUITION AND FEES.—During the first year of participation in the grant program under this section, no eligible institution may increase tuition and fees at a rate greater than any annual increase at the eligible institution in the previous 5 years.

(d) APPLICATION.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(e) USE OF FUNDS.—Funds awarded under this section to a participating eligible institution shall be used to waive or significantly reduce tuition and fees for eligible students in an amount of not more than up to the annual per-student rebate amount for each student, for not more than the first 60 credits an eligible student enrolls in the participating eligible institution.

(f) SUPPLEMENT, NOT SUPPLANT.—Funds made available under section 499S to carry out this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

SEC. 499Q. PATHWAYS TO STUDENT SUCCESS FOR HISPANIC-SERVING INSTITUTIONS, ASIAN AMERICAN AND NATIVE AMERICAN PACIFIC ISLANDER-SERVING INSTITUTIONS, ALASKA NATIVE-SERVING INSTITUTIONS, NATIVE HAWAIIAN-SERVING INSTITUTIONS, PREDOMINANTLY BLACK INSTITUTIONS, AND NATIVE AMERICAN-SERVING NONTRIBAL INSTITUTIONS.

(a) IN GENERAL.—From amounts appropriated under section 499S(a) for any fiscal year, the Secretary shall award grants to participating 4-year minority-serving institutions to—

(1) encourage students to enroll and successfully complete a bachelor's degree at participating institutions;

(2) provide incentives to community college students to transfer to participating institutions through strong transfer pathways to complete a bachelor's degree program; and

(3) support participating institutions to better serve new and existing students by engaging in reforms and innovations designed to improve completion rates and other student outcomes.

(b) INSTITUTIONAL ELIGIBILITY.—To be eligible to participate and receive a grant under this section, an institution shall be a minority-serving institution that—

(1) has a student body of which not less than 35 percent are low-income students;

(2) commits to maintaining or adopting and implementing promising and evidence-based institutional reforms and innovative practices to improve the completion rates and other student outcomes, such as—

(A) providing comprehensive academic and student support services, including mentoring and advising, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are historically underrepresented in higher education;

(B) providing direct support services such as—

(i) childcare, transportation, emergency financial assistance, and mental health and substance use disorder treatment;

(ii) assistance in obtaining health insurance coverage;

(iii) assistance securing affordable housing;

(iv) efforts to address food insecurity and campus hunger; and

(v) efforts to facilitate student participation in means-tested Federal benefit programs (as defined in section 479(d));

(C) providing accelerated learning opportunities and degree pathways, such as dual enrollment and pathways to graduate and professional degree programs;

(D) partnering with employers, industry, not-for-profit associations, and other groups to provide opportunities to advance learning outside the classroom, including work-based learning opportunities such as internships or apprenticeships or programs designed to improve inter-cultural development and personal growth, such as foreign exchange and study abroad programs; or

(E) strengthening remedial education, especially for low-income, first-generation, and adult students, and other students belonging to racial and other groups that are underrepresented in higher education, including through the use of multiple measures (such as a student's college entrance examination score, grade point average, high school course list, or a placement examination) to identify students in need of remedial education;

(3) sets performance goals for improving student outcomes for the duration of the grant; and

(4) if receiving a grant for transfer students, has articulation agreements with community colleges at the national, State, or local levels to ensure that community college credits can fully transfer to the participating institution.

(c) GRANT AMOUNT.—

(1) INITIAL AMOUNT.—For the first year that an eligible institution participates in the grant program under this section and subject to paragraph (3), such participating eligible institution shall receive a grant in an amount based on the product of—

(A) the actual cost of tuition and fees at the eligible institution in such year (referred to in this section as the per-student rebate); and

(B) the number of eligible students enrolled in the eligible institution for the preceding year.

(2) SUBSEQUENT INCREASES.—For each succeeding year after the first year of the grant program under this section, each participating eligible institution shall receive a grant in the amount determined under paragraph (1) for such year, except that in no case shall the amount of the per-student rebate increase by more than 3 percent as compared to the amount of such rebate for the preceding year.

(3) LIMITATIONS.—

(A) MAXIMUM PER-STUDENT REBATE.—No eligible institution participating in the grant program under this section shall receive a per-student rebate amount for a grant year greater than the national average of public four-year institutional tuition and fees, as determined by the Secretary.

(B) FIRST-YEAR TUITION AND FEES.—During the first year of participation in the grant program under this section, no eligible institution may increase tuition and fees at a rate greater than any annual increase made by the institution in the previous 5 years.

(d) APPLICATION.—An eligible institution shall submit an application to the Secretary at such time, in such a manner, and containing such information as determined by the Secretary.

(e) USE OF FUNDS.—Funds awarded under this section to a participating eligible institution shall be used to waive or significantly reduce tuition and fees for eligible students in an amount of not more than up to the annual per-student rebate amount for each student, for not more than the first 60 credits an eligible student enrolls in the participating eligible institution.

(f) SUPPLEMENT, NOT SUPPLANT.—Funds made available under section 499S to carry out this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

SEC. 499R. DEFINITIONS.

In this subpart:

(1) ELIGIBLE STUDENT.—

(A) DEFINITION.—The term "eligible student" means a student, regardless of age, who—

(i)(I) enrolls in a historically black college or university, Tribal College or University, or minority-serving institution; or

(II) transfers from a community college into a historically black college or university, Tribal College or University, or minority-serving institution;

(ii) attends the historically black college or university, Tribal College or University, or minority-serving institution, on at least a half-time basis;

(iii) maintains satisfactory academic progress; and

(iv) is a low-income student.

(B) SPECIAL RULES.—

(i) FIRST 3 YEARS.—An otherwise eligible student shall lose eligibility 3 calendar years after first receiving benefits under this title.

(ii) SPECIAL RULE FOR CERTAIN STUDENTS.—Notwithstanding subparagraph (A)(i), an otherwise eligible student whose parent or guardian was denied a Federal Direct PLUS loan under part D after November 1,

2011, and before March 29, 2015, and who subsequently withdrew from a historically black college or university, Tribal College or University, or minority-serving institution, and has not yet completed a program of study at such historically black college or university or minority-serving institution, shall be eligible to participate under sections 499O, 499P, or 499Q in order to complete such program of study, subject to all other requirements of sections 499O, 499P, or 499Q (as the case may be).

(2) HISTORICALLY BLACK COLLEGE OR UNIVERSITY.—The term "historically black college or university" means a part B institution described in section 322(2).

(3) LOW-INCOME STUDENT.—The term "low-income student"—

(A) shall include any student eligible for a Federal Pell Grant under section 401; and

(B) may include a student ineligible for a Federal Pell Grant under section 401 who is determined by the institution to be a low-income student based on an analysis of the student's ability to afford the cost of attendance at the institution.

(4) MINORITY-SERVING INSTITUTION.—The term "minority-serving institution" means any public or not-for-profit institution of higher education—

(A) described in paragraph (2) and paragraphs (4) through (7) of section 371(a); and

(B) designated as a minority-serving institution by the Secretary.

(5) TRIBAL COLLEGE OR UNIVERSITY.—The term "Tribal College or University" has the meaning given the term in section 316.

SEC. 499S. APPROPRIATIONS.

(a) AUTHORIZATION AND APPROPRIATIONS FOR HBCU, TCU, AND MSI GRANTS.—For the purpose of carrying out sections 499O, 499P, and 499Q there are authorized to be appropriated, and there are appropriated—

(1) $63,250,000 for fiscal year 2021;
(2) $206,990,000 for fiscal year 2022;
(3) $1,232,760,000 for fiscal year 2023;
(4) $1,282,210,000 for fiscal year 2024;
(5) $1,333,950,000 for fiscal year 2025;
(6) $1,386,850,000 for fiscal year 2026;
(7) $1,408,700,000 for fiscal year 2027;
(8) $1,501,850,000 for fiscal year 2028;
(9) $1,562,800,000 for fiscal year 2029; and
(10) $1,626,040,000 for fiscal year 2030 and each succeeding fiscal year.

(b) AVAILABILITY.—Funds appropriated under subsection (a) are to remain available to the Secretary until expended.

(c) INSUFFICIENT FUNDS.—If the amount appropriated under subsection (a) for a fiscal year is not sufficient to award each participating institution in the grant programs under sections 499O, 499P, and 499Q a grant under this part equal to 100 percent of the grant amount determined under section 499O(c), 499P(c), or 499Q(c), as appropriate, the Secretary may ratably reduce the amount of each

such grant or take other actions necessary to ensure an equitable distribution of such amount.

Subpart 4—Additional College Affordability Grants

SEC. 499T. UNMET NEED FOR FEDERAL PELL GRANT RECIPIENTS.

(a) IN GENERAL.—

(1) GRANT PROGRAM.—Subject to paragraph (2), from amounts appropriated under subsection (f) for any fiscal year, the Secretary may award grants to eligible States and Indian tribes described in paragraph (3) to pay the Federal share of expenditures needed to carry out the activities and services described in subsection (d).

(2) LIMITATION.—The Secretary may not make grants under paragraph (1) in fiscal year unless all grants eligible to be made under subpart 1 have been made for such fiscal year.

(3) ELIGIBILITY.—A State or Indian tribe may only be eligible for a grant under this section in a fiscal year if such State or Indian tribe received a grant under subpart 1 for such fiscal year.

(b) FEDERAL SHARE; NON-FEDERAL SHARE.—

(1) FEDERAL SHARE.—

(A) FORMULA.—Subject to paragraph (2), the Federal share of a grant under this section shall be based on a formula, determined by the Secretary, that—

(i) accounts for the State or Indian tribe's share of Pell Grant recipients;

(ii) provides, for each Pell Grant recipient in the State or Indian tribe, a per-student amount that is at least 75 percent of—

(I) for the first award year for which grants are made under this section, the average unmet need of Pell Grant recipients in all States for the most recent year for which data are available; and

(II) for each subsequent award year, the amount determined under this subparagraph for the preceding award year, increased by the lesser of—

(aa) a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) since the date of such determination; or

(bb) 3 percent.

(B) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In any case in which not less than 75 percent of the students at the institutions of higher education operated or controlled by an Indian tribe are low-income students, the amount of the Federal share for such Indian tribe shall be not less than 95 percent of the total amount needed to waive tuition and fees for all Pell Grant recipients enrolled in such institutions of higher education.

(2) STATE OR TRIBAL SHARE.—

(A) FORMULA.—

(i) IN GENERAL.—The State or tribal share of a grant under this section for each fiscal year shall be the

amount needed to pay 25 percent of the average unmet need of Pell Grant recipients in all States in the first award year for which grants are made under this section for all Pell Grant recipients in the State or Indian tribe, respectively, for such fiscal year, except as provided in clause (ii).

(ii) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In the case of an Indian tribe described in paragraph (1)(B), the amount of such Indian tribe's tribal share shall not exceed 5 percent of the total amount needed to pay the average unmet need for all Pell Grant recipients enrolled in the institutions of higher education described in such paragraph.

(B) NEED-BASED AID.—A State or Indian tribe may include, as part of the State or tribal share, any need-based financial aid that—

(i) is provided from State or tribal funds to a Pell Grant recipient; and

(ii) may be used by such student to pay costs of attendance other than tuition and fees.

(3) DETERMINING NUMBER OF PELL GRANT RECIPIENTS.—

(A) IN GENERAL.—The Secretary shall develop and implement a process for accurately estimating the number of Pell Grant recipients in a State or Indian tribe for purposes of paragraphs (1) and (2).

(B) INITIAL DETERMINATION.—For the first year for which grants are awarded under this section, the number of Pell Grant recipients in a State or Indian tribe shall be considered to be equal to the number of Pell Grant recipients that were in the State or tribe for the preceding school year.

(4) ADJUSTMENT OF GRANT AMOUNT.—Not later than 180 days after the date on which a State or Indian tribe receives a grant under this section, the Secretary shall—

(A) in consultation with the State or tribe concerned, determine whether the actual number of Pell Grant recipients in the State or Tribe for the year covered by the grant is greater than the estimated number of such students that was used to determine the amount of the grant; and

(B) if it is determined under paragraph (1) that the actual number of Pell Grant recipients in the State or Tribe is higher than such estimate, issue a supplementary grant payment to the State or tribe in an amount that ensures that the total amount of the grant funds received by the State or tribe under this section for the year covered by the grant accurately reflects the higher number of Pell Grant recipients.

(c) APPLICATIONS.—In order to receive a grant under this section, a State or tribe shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(d) ALLOWABLE USES OF FUNDS.—

(1) IN GENERAL.—A State or Indian tribe shall use a grant under this section only to provide to each Pell Grant recipient a grant that equals the unmet need of such recipient.

(2) ANNUAL REPORT.—A State or Indian tribe receiving a grant under this section shall submit an annual report to the Secretary describing the uses of grant funds under this section, the progress made in fulfilling the requirements of the grant, and rates of transfer, graduation, and attainment of recognized postsecondary credentials at institutions of higher education in the State or Indian tribe, including such rates disaggregated by race, income, and age, and including any other information as the Secretary may require.

(3) REPORTING BY THE SECRETARY.—The Secretary annually shall—

(A) compile and analyze the information described in paragraph (2); and

(B) prepare and submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives containing the analysis described in subparagraph (A) and an identification of State and Indian tribe best practices for achieving the purpose of this section.

(4) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to eligible States and Indian tribes concerning best practices regarding the promising and evidence-based institutional reforms and innovative practices to improve student outcomes and shall disseminate such best practices among the States and Indian tribes.

(5) CONTINUATION OF FUNDING.—

(A) IN GENERAL.—A State or Indian tribe receiving a grant under this section for a fiscal year may continue to receive funding under this section for future fiscal years conditioned on the availability of budget authority and on meeting the requirements of the grant, as determined by the Secretary.

(B) DISCONTINUATION.—The Secretary may discontinue funding of the Federal share of a grant under this section if the State or Indian tribe has violated the terms of the grant.

(6) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

(e) DEFINITIONS.—In this section:

(1) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

(2) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101.

(3) PELL GRANT RECIPIENT.—

(A) DEFINITION.—The term "Pell Grant recipient" means a student who—

(i) attends a public institution of higher education on not less than a half-time basis;

(ii) is a recipient of a Federal Pell Grant under subpart 1 of part A of title IV of this Act;

(iii) is maintaining satisfactory progress (as defined in section 484(c)) in the student's course of study;

(iv) is enrolled in an eligible program (as defined in section 481(b)); and

(v) either—

(I) qualifies for in-State resident institution of higher education tuition, as determined by the State or Indian tribe; or

(II) would qualify for such in-State tuition, but for the immigration status of such student.

(B) SPECIAL RULE.—An otherwise Pell Grant recipient shall lose eligibility under this section—

(i) after 3 years of receiving benefits under this section for enrollment at a community college (as defined in section 499F); and

(ii) after 6 years of receiving benefits under this section for enrollment in a 4-year institution of higher education.

(4) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term "recognized postsecondary credential" has the meaning as described in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(5) STATE.—The term "State" has the meaning given the term in section 103.

(6) UNMET NEED.—The term "unmet need" means, with respect to a Pell Grant recipient, the amount determined by calculating the difference between—

(A) the institution's cost of attendance (as defined in section 472) for the year for which the determination is made; and

(B) the sum of—

(i) the total amount of need-based grant aid and merit-based grant aid, from Federal, State, and institutional sources, provided to such Pell Grant recipient for the year for which the determination is made; and

(ii) the expected family contribution for such Pell Grant recipient for the year for which the determination is made.

(f) APPROPRIATIONS.—

(1) AUTHORIZATION AND APPROPRIATIONS.—For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2021 and each succeeding fiscal year.

(2) AVAILABILITY.—Funds appropriated under paragraph (1) shall remain available to the Secretary until expended.

(3) INSUFFICIENT FUNDS.—If the amount appropriated under paragraph (1) for a fiscal year is not sufficient to award each participating State and Indian tribe a grant under this section that is equal to the minimum amount of the Federal share described in subsection (b), the Secretary may ratably reduce the amount of each such grant or take other actions necessary to ensure an equitable distribution of such amount.

(4) TRANSFER AVAILABILITY.—The Secretary is authorized, subject to the availability of appropriations, to transfer amounts authorized to be appropriated to carry out subpart 1 for a fiscal

year to make grants under this section if all grants eligible to be made under such subpart have been made for such fiscal year.

SEC. 499U. UNMET NEED FOR STUDENTS.

(a) IN GENERAL.—

(1) GRANT PROGRAM.—Subject to paragraph (2), from amounts appropriated under subsection (f) for any fiscal year, the Secretary may award grants to eligible States and Indian tribes described in paragraph (3) to pay the Federal share of expenditures needed to carry out the activities and services described in subsection (d).

(2) LIMITATION.—The Secretary may not make grants under paragraph (1) in fiscal year unless—

(A) all grants eligible to be made under subpart 1 have been made for such fiscal year; and

(B) all grants eligible to be made under section 499T have been made for such fiscal year.

(3) ELIGIBILITY.—A State or Indian tribe may only be eligible for a grant under this section in a fiscal year if such State or Indian tribe received—

(A) a grant under subpart 1 for such fiscal year; and

(B) a grant under 499T for such fiscal year.

(b) FEDERAL SHARE; NON-FEDERAL SHARE.—

(1) FEDERAL SHARE.—

(A) FORMULA.—Subject to paragraph (2), the Federal share of a grant under this section shall be based on a formula, determined by the Secretary, that—

(i) accounts for the State or Indian tribe's share of eligible students;

(ii) provides, for each eligible student in the State or Indian tribe, a per-student amount that is at least 75 percent of—

(I) for the first award year for which grants are made under this section, the average unmet need of eligible students in all States for the most recent year for which data are available; and

(II) for each subsequent award year, the amount determined under this subparagraph for the preceding award year, increased by the lesser of—

(aa) a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) since the date of such determination; or

(bb) 3 percent.

(B) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In any case in which not less than 75 percent of the students at the institutions of higher education operated or controlled by an Indian tribe are low-income students, the amount of the Federal share for such Indian tribe shall be not less than 95 percent of the total amount needed to waive tuition and fees for all eligible students enrolled in such institutions of higher education.

(2) STATE OR TRIBAL SHARE.—

(A) FORMULA.—

(i) IN GENERAL.—The State or tribal share of a grant under this section for each fiscal year shall be the amount needed to pay 25 percent of the average unmet need of eligible students in all States in the first award year for which grants are made under this section for all eligible students in the State or Indian tribe, respectively, for such fiscal year, except as provided in clause (ii).

(ii) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In the case of an Indian tribe described in paragraph (1)(B), the amount of such Indian tribe's tribal share shall not exceed 5 percent of the total amount needed to pay the average unmet need for all eligible students enrolled in the institutions of higher education described in such subparagraph.

(B) NEED-BASED AID.—A State or Indian tribe may include, as part of the State or tribal share, any need-based financial aid that—

(i) is provided from State or tribal funds to an eligible student; and

(ii) may be used by such student to pay costs of attendance other than tuition and fees.

(3) DETERMINING NUMBER OF ELIGIBLE STUDENTS.—

(A) IN GENERAL.—The Secretary shall develop and implement a process for accurately estimating the number of eligible students in a State or Indian tribe for purposes of paragraphs (1) and (2).

(B) INITIAL DETERMINATION.—For the first year for which grants are awarded under this section, the number of eligible students in a State or Indian tribe shall be considered to be equal to the number of eligible students that were in the State or tribe for the preceding school year.

(4) ADJUSTMENT OF GRANT AMOUNT.—Not later than 180 days after the date on which a State or Indian tribe receives a grant under this section, the Secretary shall—

(A) in consultation with the State or tribe concerned, determine whether the actual number of eligible students in the State or Tribe for the year covered by the grant is greater than the estimated number of such students that was used to determine the amount of the grant; and

(B) if it is determined under paragraph (1) that the actual number of eligible students in the State or Tribe is higher than such estimate, issue a supplementary grant payment to the State or tribe in an amount that ensures that the total amount of the grant funds received by the State or tribe under this section for the year covered by the grant accurately reflects the higher number of eligible students.

(c) APPLICATIONS.—In order to receive a grant under this section, a State or tribe shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(d) ALLOWABLE USES OF FUNDS.—

(1) IN GENERAL.—A State or Indian tribe shall use a grant under this section only to provide to each eligible student a grant that equals the unmet need of such recipient.

(2) ANNUAL REPORT.—A State or Indian tribe receiving a grant under this section shall submit an annual report to the Secretary describing the uses of grant funds under this section, the progress made in fulfilling the requirements of the grant, and rates of transfer, graduation, and attainment of recognized postsecondary credentials at institutions of higher education in the State or Indian tribe, including such rates disaggregated by race, income, and age, and including any other information as the Secretary may require.

(3) REPORTING BY THE SECRETARY.—The Secretary annually shall—

(A) compile and analyze the information described in paragraph (2); and

(B) prepare and submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives containing the analysis described in subparagraph (A) and an identification of State and Indian tribe best practices for achieving the purpose of this section.

(4) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to eligible States and Indian tribes concerning best practices regarding the promising and evidence-based institutional reforms and innovative practices to improve student outcomes and shall disseminate such best practices among the States and Indian tribes.

(5) CONTINUATION OF FUNDING.—

(A) IN GENERAL.—A State or Indian tribe receiving a grant under this section for a fiscal year may continue to receive funding under this section for future fiscal years conditioned on the availability of budget authority and on meeting the requirements of the grant, as determined by the Secretary.

(B) DISCONTINUATION.—The Secretary may discontinue funding of the Federal share of a grant under this section if the State or Indian tribe has violated the terms of the grant.

(6) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

(e) DEFINITIONS.—In this section:

(1) ELIGIBLE STUDENT.—

(A) DEFINITION.—The term "eligible student" means a student who—

(i) attends a public institution of higher education on not less than a half-time basis;

(ii) is not a recipient of a Federal Pell Grant under subpart 1 of part A of title IV of this Act;

(iii) is maintaining satisfactory progress (as defined in section 484(c)) in the student's course of study;

(iv) is enrolled in an eligible program (as defined in section 481(b)); and

(v) either—

(I) qualifies for in-State resident institution of higher education tuition, as determined by the State or Indian tribe; or

(II) would qualify for such in-State tuition, but for the immigration status of such student.

(B) SPECIAL RULE.—An otherwise eligible student shall lose eligibility under this section—

(i) after 3 years of receiving benefits under this section for enrollment at a community college (as defined in section 499F); and

(ii) after 6 years of receiving benefits under this section for enrollment in a 4-year institution of higher education.

(2) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101.

(4) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term "recognized postsecondary credential" has the meaning as described in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(5) STATE.—The term "State" has the meaning given the term in section 103.

(6) UNMET NEED.—The term "unmet need" means, with respect to an eligible student, the amount determined by calculating the difference between—

(A) the institution's cost of attendance (as defined in section 472) for the year for which the determination is made; and

(B) the sum of—

(i) the total amount of need-based grant aid and merit-based grant aid, from Federal, State, and institutional sources, provided to such eligible student for the year for which the determination is made; and

(ii) the expected family contribution for such eligible student for the year for which the determination is made.

(f) APPROPRIATIONS.—

(1) AUTHORIZATION AND APPROPRIATIONS.—For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2021 and each succeeding fiscal year.

(2) AVAILABILITY.—Funds appropriated under paragraph (1) shall remain available to the Secretary until expended.

(3) INSUFFICIENT FUNDS.—If the amount appropriated under paragraph (1) for a fiscal year is not sufficient to award each participating State and Indian tribe a grant under this section that is equal to the minimum amount of the Federal share described in subsection (b), the Secretary may ratably reduce the amount of each such grant or take other actions necessary to ensure an equitable distribution of such amount.

(4) TRANSFER AVAILABILITY.—The Secretary is authorized, subject to the availability of appropriations, to transfer amounts authorized to be appropriated to carry out subpart 1 or to carry out section 499T for a fiscal year to make grants under this section if—

(A) all grants eligible to be made under such subpart have been made for such fiscal year; and

(B) all grants eligible to be made under such section have been made for such fiscal year.

SEC. 499V. TUITION WAIVERS.

(a) IN GENERAL.—

(1) GRANT PROGRAM.—Subject to paragraph (2), from amounts appropriated under subsection (g) for any fiscal year, the Secretary may award grants to eligible States and Indian tribes to pay the Federal share of expenditures needed to carry out the activities and services described in subsection (d).

(2) LIMITATION.—The Secretary may not make grants under paragraph (1) in fiscal year unless—

(A) all grants eligible to be made under subpart 1 have been made for such fiscal year;

(B) all grants eligible to be made under 499T have been made for such fiscal year; and

(C) all grants eligible to be made under 499U have been made for such fiscal year.

(3) ELIGIBILITY.—A State or Indian tribe may only be eligible for a grant under this section in a fiscal year if such State or Indian tribe received—

(A) a grant under subpart 1 for such fiscal year;

(B) a grant under section 499T for such fiscal year; and

(C) a grant under 499U for such fiscal year.

(b) FEDERAL SHARE; NON-FEDERAL SHARE.—

(1) FEDERAL SHARE.—

(A) FORMULA.—Subject to paragraph (2), the Federal share of a grant under this section shall be based on a formula, determined by the Secretary, that—

(i) accounts for the State or Indian tribe's share of eligible students;

(ii) provides, for each eligible student in the State or Indian tribe, a per-student amount that is at least 75 percent of—

(I) for the first award year for which grants are made under this section, the average resident public 4-year institutions of higher education tuition and fees per student in all States for the most recent year for which data are available; and

(II) for each subsequent award year, the amount determined under this subparagraph for the preceding award year, increased by the lesser of—

(aa) a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) since the date of such determination; or

(bb) 3 percent.

(B) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In any case in which not less than 75 percent of the students at the in-

stitutions of higher education operated or controlled by an Indian tribe are low-income students, the amount of the Federal share for such Indian tribe shall be not less than 95 percent of the total amount needed to waive tuition and fees for all eligible students enrolled in such institutions of higher education.

(2) STATE OR TRIBAL SHARE.—

(A) FORMULA.—

(i) IN GENERAL.—The State or tribal share of a grant under this section for each fiscal year shall be the amount needed to pay 25 percent of the average resident public 4-year institutions of higher education tuition and fees for eligible students in all States in first award year for which grants are made under this section for all eligible students in the State or Indian tribe, respectively, for such fiscal year, except as provided in clause (ii).

(ii) EXCEPTION FOR CERTAIN INDIAN TRIBES.—In the case of an Indian tribe described in paragraph (1)(B), the amount of such Indian tribe's tribal share shall not exceed 5 percent of the total amount needed to waive tuition and fees for all eligible students enrolled in the institutions of higher education described in such paragraph.

(B) NEED-BASED AID.—A State or Indian tribe may include, as part of the State or tribal share, any need-based financial aid that—

(i) is provided from State or tribal funds to an eligible student; and

(ii) may be used by such student to pay costs of attendance other than tuition and fees.

(3) DETERMINING NUMBER OF ELIGIBLE STUDENTS.—

(A) IN GENERAL.—The Secretary shall develop and implement a process for accurately estimating the number of eligible students in a State or Indian tribe for purposes of paragraphs (1) and (2).

(B) INITIAL DETERMINATION.—For the first year for which grants are awarded under this section, the number of eligible students in a State or Indian tribe shall be considered to be equal to the number of eligible students that were in the State or tribe for the preceding school year.

(4) ADJUSTMENT OF GRANT AMOUNT.—Not later than 180 days after the date on which a State or Indian tribe receives a grant under this section, the Secretary shall—

(A) in consultation with the State or tribe concerned, determine whether the actual number of eligible students in the State or Tribe for the year covered by the grant is greater than the estimated number of such students that was used to determine the amount of the grant; and

(B) if it is determined under paragraph (1) that the actual number of eligible students in the State or Tribe is higher than such estimate, issue a supplementary grant payment to the State or tribe in an amount that ensures that the total amount of the grant funds received by the State or tribe under this section for the year covered by the

grant accurately reflects the higher number of eligible students.

(c) APPLICATIONS.—In order to receive a grant under this section, a State or tribe shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(d) GENERAL REQUIREMENTS.—As a condition of receiving a grant under this subpart a State or Indian tribe shall meet the following requirements:

(1) For each year of the grant the total amount of public 4-year institution of higher education resident tuition and fees charged to an eligible student in the State or Indian tribe shall be $0.

(2) For each year of the grant no amount of financial assistance for which an eligible student qualifies may be applied to such tuition or fees.

(e) ALLOWABLE USES OF FUNDS.—

(1) IN GENERAL.—A State or Indian tribe shall use a grant under this section only to provide funds to participating public 4-year institutions to enable such public 4-year institutions to waive resident tuition and fees for eligible students as required under subsection (d).

(2) ANNUAL REPORT.—A State or Indian tribe receiving a grant under this section shall submit an annual report to the Secretary describing the uses of grant funds under this section, the progress made in fulfilling the requirements of the grant, and rates of transfer, graduation, and attainment of recognized postsecondary credentials at institutions of higher education in the State or Indian tribe, including such rates disaggregated by race, income, and age, and including any other information as the Secretary may require.

(3) REPORTING BY THE SECRETARY.—The Secretary annually shall—

(A) compile and analyze the information described in paragraph (2); and

(B) prepare and submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives containing the analysis described in subparagraph (A) and an identification of State and Indian tribe best practices for achieving the purpose of this section.

(4) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to eligible States and Indian tribes concerning best practices regarding the promising and evidence-based institutional reforms and innovative practices to improve student outcomes and shall disseminate such best practices among the States and Indian tribes.

(5) CONTINUATION OF FUNDING.—

(A) IN GENERAL.—A State or Indian tribe receiving a grant under this section for a fiscal year may continue to receive funding under this section for future fiscal years conditioned on the availability of budget authority and on meeting the requirements of the grant, as determined by the Secretary.

(B) DISCONTINUATION.—The Secretary may discontinue funding of the Federal share of a grant under this section if the State or Indian tribe has violated the terms of the grant.

(6) SUPPLEMENT, NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out activities under this section.

(f) DEFINITIONS.—In this section:

(1) ELIGIBLE STUDENT.—

(A) DEFINITION.—The term "eligible student" means a student who—

(i) attends a public institution of higher education on not less than a half-time basis;

(ii) is maintaining satisfactory progress (as defined in section 484(c)) in the student's course of study;

(iii) is enrolled in an eligible program (as defined in section 481(b)); and

(iv) either—

(I) qualifies for in-State resident institution of higher education tuition, as determined by the State or Indian tribe; or

(II) would qualify for such in-State tuition, but for the immigration status of such student.

(B) SPECIAL RULE.—An otherwise eligible student shall lose eligibility under this section after 6 years of receiving benefits under this section.

(2) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101.

(4) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term "recognized postsecondary credential" has the meaning as described in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(5) STATE.—The term "State" has the meaning given the term in section 103.

(g) APPROPRIATIONS.—

(1) AUTHORIZATION AND APPROPRIATIONS.—For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2021 and each succeeding fiscal year.

(2) AVAILABILITY.—Funds appropriated under paragraph (1) shall remain available to the Secretary until expended.

(3) INSUFFICIENT FUNDS.—If the amount appropriated under paragraph (1) for a fiscal year is not sufficient to award each participating State and Indian tribe a grant under this section that is equal to the minimum amount of the Federal share described in subsection (b), the Secretary may ratably reduce the amount of each such grant or take other actions necessary to ensure an equitable distribution of such amount.

(4) TRANSFER AVAILABILITY.—The Secretary is authorized, subject to the availability of appropriations, to transfer amounts

authorized to be appropriated to carry out subpart 1, to carry out 499T, and to carry out 499U for a fiscal year to make grants under this section if—

(A) all grants eligible to be made under such subpart have been made for such fiscal year;

(B) all grants eligible to be made under 499T have been made for such year; and

(C) all grants eligible to be made under 499U have been made for such fiscal year.

SEC. 499W. EXPANSION FOR PRIVATE INSTITUTIONS.

(a) AUTHORITY.—The Secretary may establish a program under which—

(1) a State that participates in section 499T may elect to carry out the grant programs under such section to students who—

(A) meet the requirements under clauses (ii) through (iv) of subparagraph (A) and subparagraph (B) of subsection (e)(3) of such section; and

(B) attend a nonprofit private institution of higher education in such State on not less than a half time basis; and

(2) a State that participates in section 499U may elect to carry out the grant programs under such section to students who—

(A) meet the requirements under clauses (ii) through (iv) of subparagraph (A) and subparagraph (B) of subsection (e)(1) of such section; and

(B) attend a nonprofit private institution of higher education in such State on not less than a half time basis.

(b) PROGRAM REQUIREMENTS.—The Secretary shall set eligibility standards for nonprofit private institutions of higher education which shall, at a minimum, include—

(1) benchmarks for the enrollment of low-income students;

(2) a requirement that any nonprofit private institution of higher education that participates in a grant program pursuant to this section may not reduce the funding for institutional need-based aid; or

(3) a requirement that grant amounts for students at such institutions of higher education shall not exceed grants for students with similar levels of financial need (as measured by expected family contribution) at public institutions of higher education.

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2021 and each succeeding fiscal year.

TITLE V—DEVELOPING INSTITUTIONS

PART A—HISPANIC-SERVING INSTITUTIONS

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SEC. 503. AUTHORIZED ACTIVITIES.

(a) TYPES OF ACTIVITIES AUTHORIZED.—Grants awarded under this title shall be used by Hispanic-serving institutions of higher

education to assist the institutions to plan, develop, undertake, and carry out programs to improve and expand the institutions' capacity to serve Hispanic students and other low-income students.

(b) AUTHORIZED ACTIVITIES.—Grants awarded under this section shall be used for one or more of the following activities:

(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

(2) Construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities.

(3) Support of faculty exchanges, faculty development, curriculum development, academic instruction, and faculty fellowships to assist in attaining advanced degrees in the fellow's field of instruction.

(4) Purchase of library books, periodicals, and other educational materials, including telecommunications program material.

(5) Tutoring, counseling, and student service programs designed to improve academic success, including innovative and customized instruction courses (which may include remedial education and English language instruction) designed to help retain students and move the students rapidly into core courses and through program completion.

(6) Articulation agreements and student support programs designed to facilitate the transfer from two-year to four-year institutions.

(7) Funds management, administrative management, and acquisition of equipment for use in strengthening funds management.

(8) Joint use of facilities, such as laboratories and libraries.

(9) Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

(10) Establishing or improving an endowment fund.

(11) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

(12) Establishing or enhancing a program of teacher education designed to qualify students to teach in public elementary schools and secondary schools.

(13) Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education.

(14) Expanding the number of Hispanic and other underrepresented graduate and professional students that can be served by the institution by expanding courses and institutional resources.

(15) Providing education, counseling services, or financial information designed to improve the financial literacy and economic literacy of students or the students' families, especially with regard to student indebtedness and student assistance programs under title IV.

(16) Promoting opportunities for international education, including through the development of partnerships with institutions of higher education outside the United States.

[(16)] *(17)* Other activities proposed in the application submitted pursuant to section 504 that—

(A) contribute to carrying out the purposes of this title; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

(c) ENDOWMENT FUND LIMITATIONS.—

(1) PORTION OF GRANT.—A Hispanic-serving institution may not use more than 20 percent of the grant funds provided under this title for any fiscal year for establishing or improving an endowment fund.

(2) MATCHING REQUIRED.—A Hispanic-serving institution that uses any portion of the grant funds provided under this title for any fiscal year for establishing or improving an endowment fund shall provide from [non-Federal funds] *non-Federal funds (which may include gifts to the endowment fund restricted for a specific purpose)* an amount [equal to or greater than] *equal to 50 percent of* the portion.

(3) COMPARABILITY.—The provisions of part C of title III regarding the establishment or increase of an endowment fund, that the Secretary determines are not inconsistent with this subsection, shall apply to funds used under paragraph (1).

(4) SCHOLARSHIPS.—An eligible institution that uses grant funds provided under this title to establish or increase an endowment fund may use the interest proceeds from such endowment to provide scholarships to students for the purposes of attending such institution.

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PART B—PROMOTING POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS

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SEC. 512. PROGRAM AUTHORITY AND ELIGIBILITY.

(a) PROGRAM AUTHORIZED.—Subject to the availability of funds appropriated to carry out this part, the Secretary shall award grants, on a competitive basis, to eligible institutions to enable the eligible institutions to carry out the authorized activities described in section 513.

(b) ELIGIBILITY.—For the purposes of this part, an "eligible institution" means an institution of higher education that—

(1) is a Hispanic-serving institution (as defined in section 502); and

(2) offers a postbaccalaureate certificate or postbaccalaureate degree granting program.

(c) MINIMUM GRANTS AWARDED.—Of the funds appropriated to carry out this part for a fiscal year, the Secretary—

(1) shall—

(A) use not less than one-third of such funds to award grants to carry out the activities described in section 513(b); and

(B) use not less than one-third of such funds to award grants to carry out the activities described in section 513(c); and

(2) may use any funds remaining (after using the funds in accordance with paragraph (1)) to award grants to carry out activities described in subsection (b) or (c) of section 513.

[SEC. 513. AUTHORIZED ACTIVITIES

[Grants awarded under this part shall be used for one or more of the following activities:

[(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

[(2) Construction, maintenance, renovation, and improvement of classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

[(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

[(4) Support for low-income postbaccalaureate students including outreach, academic support services, mentoring, scholarships, fellowships, and other financial assistance to permit the enrollment of such students in postbaccalaureate certificate and postbaccalaureate degree granting programs.

[(5) Support of faculty exchanges, faculty development, faculty research, curriculum development, and academic instruction.

[(6) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

[(7) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and postbaccalaureate degree offerings.

[(8) Other activities proposed in the application submitted pursuant to section 514 that—

[(A) contribute to carrying out the purposes of this part; and

[(B) are approved by the Secretary as part of the review and acceptance of such application.]

SEC. 513. AUTHORIZED ACTIVITIES.

(a) REQUIREMENTS.—

(1) IN GENERAL.—Grants awarded under this part shall be used for—

(A) one or more of the activities described in subsection (b); or

(B) one or more of the activities described in subsection (c).

(2) PROHIBITION.—A grant awarded under this part may not be used for activities under both subsections (b) and (c).

(b) PROMOTING POSTBACCALAUREATE OPPORTUNITIES FOR HISPANIC AMERICANS ACTIVITIES.—Grants awarded under this part may be used for one or more of the following activities promoting postbaccalaureate opportunities for Hispanic Americans:

(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

(2) Construction, maintenance, renovation, and improvement of classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

(4) Support for low-income postbaccalaureate students including outreach, academic support services, mentoring, scholarships, fellowships, and other financial assistance to permit the enrollment of such students in postbaccalaureate certificate and postbaccalaureate degree granting programs.

(5) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

(6) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and postbaccalaureate degree offerings.

(7) Other activities proposed in the application submitted pursuant to section 514 that—

(A) contribute to carrying out the purposes of this part; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

(c) FACULTY DEVELOPMENT ACTIVITIES.—Grants awarded under this part may be used for one or more of the following activities for faculty development:

(1) Support of faculty exchanges, faculty development, faculty research, curriculum development, and academic instruction.

(2) Financial support to graduate students planning to pursue academic careers who desire to become faculty at Hispanic-serving institutions.

(3) Career services in preparing for an academic career and identifying opportunities.

(4) Developing partnerships between Hispanic-serving institutions to help graduate students and hiring institutions connect with each other.

(5) Faculty recruitment efforts with an emphasis on graduates from Hispanic-serving institutions and other minority-serving institutions.

(6) Recruitment and retention incentives to allow Hispanic-serving institutions to make competitive offers to potential faculty, including use of funds for student loan repayment.

(7) Research support specifically for early career faculty.

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PART C—GENERAL PROVISIONS

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SEC. 528. AUTHORIZATIONS OF APPROPRIATIONS.

(a) AUTHORIZATIONS.—

(1) PARTS A AND C.—There are authorized to be appropriated to carry out parts A and C [$175,000,000] *$350,000,000* for fiscal year [2009] *2021* and such sums as may be necessary for each of the five succeeding fiscal years.

(2) PART B.—There are authorized to be appropriated to carry out part B [$100,000,000] *$115,000,000* for fiscal year [2009] *2021* and such sums as may be necessary for each of the five succeeding fiscal years.

(3) RESERVATION FOR TECHNICAL ASSISTANCE.—From the amounts appropriated under paragraph (1) to carry out part A for a fiscal year, the Secretary shall reserve 0.75 percent to carry out technical assistance and administrative training for staff and faculty at Hispanic-serving institutions under such part.

(b) USE OF MULTIPLE YEAR AWARDS.—In the event of a multiple year award to any Hispanic-serving institution under this title, the Secretary shall make funds available for such award from funds appropriated for this title for the fiscal year in which such funds are to be used by the institution.

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TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

PART A—INTERNATIONAL AND FOREIGN LANGUAGE STUDIES

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SEC. 602. GRADUATE AND UNDERGRADUATE LANGUAGE AND AREA CENTERS AND PROGRAMS.

(a) NATIONAL LANGUAGE AND AREA CENTERS AND PROGRAMS AUTHORIZED.—

(1) CENTERS AND PROGRAMS.—

(A) IN GENERAL.—The Secretary is authorized to make grants to institutions of higher education or consortia of such institutions for the purpose of establishing, strengthening, and operating—

(i) comprehensive foreign language and area or international studies centers and programs; and

(ii) a diverse network of undergraduate foreign language and area or international studies centers and programs.

(B) NATIONAL RESOURCES.—The centers and programs referred to in paragraph (1) shall be national resources for—

(i) teaching of any modern foreign language;

(ii) instruction in fields needed to provide full understanding of areas, regions, or countries in which such language is commonly used;

(iii) research and training in international studies, and the international and foreign language aspects of professional and other fields of study; and

(iv) instruction and research on issues in world affairs that concern one or more countries.

(2) AUTHORIZED ACTIVITIES.—Any such grant may be used to pay all or part of the cost of establishing or operating a center or program, including the cost of—

(A) teaching and research materials;

(B) curriculum planning and development;

(C) establishing and maintaining linkages with overseas institutions of higher education and other organizations that may contribute to the teaching and research of the center or program;

(D) bringing visiting scholars and faculty to the center to teach or to conduct research;

(E) professional development of the center's faculty and staff;

(F) projects conducted in cooperation with other centers addressing themes of world regional, cross-regional, international, or global importance;

(G) summer institutes in the United States or abroad designed to provide language and area training in the center's field or topic;

(H) support for faculty, staff, and student travel in foreign areas, regions, or countries, and for the development and support of educational programs abroad for students;

(I) supporting instructors of the less commonly taught languages; and

(J) projects that support students in the science, technology, engineering, and mathematics fields to achieve foreign language proficiency.

(3) GRANTS TO MAINTAIN LIBRARY COLLECTIONS.—The Secretary may make grants to centers described in paragraph (1) having important library collections, as determined by the Secretary, for the maintenance of such collections.

(4) OUTREACH GRANTS AND SUMMER INSTITUTES.—The Secretary may make additional grants to centers described in paragraph (1) for any one or more of the following purposes:

(A) Programs of linkage or outreach between foreign language, area studies, or other international fields, and professional schools and colleges.

(B) Programs of linkage or outreach with 2- and 4-year colleges and universities.

(C) Programs of linkage or outreach between or among—

(i) postsecondary programs or departments in foreign language, area studies, or other international fields; and

(ii) State educational agencies or local educational agencies.

(D) Partnerships or programs of linkage and outreach with departments or agencies of Federal and State governments, including Federal or State scholarship programs for students in related areas.

(E) Programs of linkage or outreach with the news media, business, professional, or trade associations.

(F) Summer institutes in area studies, foreign language, and other international fields designed to carry out the programs described in subparagraphs (A), (B), (D), and (E).

(b) FELLOWSHIPS FOR FOREIGN LANGUAGE AND AREA OR INTERNATIONAL STUDIES.—

(1) IN GENERAL.—The Secretary is authorized to make grants to institutions of higher education or combinations of such institutions for the purpose of paying stipends to individuals undergoing advanced training in any center or program approved by the Secretary.

(2) ELIGIBLE STUDENTS.—A student receiving a stipend described in paragraph (1) shall be engaged—

(A) in an instructional program with stated performance goals for functional foreign language use or in a program developing such performance goals, in combination with area studies, international studies, or the international aspects of a professional studies program; and

(B)(i) in the case of an undergraduate student, in the intermediate or advanced study of a less commonly taught language; or

(ii) in the case of a graduate student, in graduate study in connection with a program described in subparagraph (A), including—

(I) predissertation level study;

(II) preparation for dissertation research;

(III) dissertation research abroad; [or]

(IV) dissertation writing[.]*; or*

(V) the beginning, intermediate, or advanced study of a foreign language related to the area of specialization.

(c) SPECIAL RULE WITH RESPECT TO TRAVEL.—No funds may be expended under this part for undergraduate travel except in accordance with rules prescribed by the Secretary setting forth policies and procedures to assure that Federal funds made available for such travel are expended as part of a formal program of supervised study.

(d) ALLOWANCES.—

(1) GRADUATE LEVEL RECIPIENTS.—A stipend awarded to a graduate level recipient may include allowances for dependents and for travel for research and study in the United States and abroad.

(2) UNDERGRADUATE LEVEL RECIPIENTS.—A stipend awarded to an undergraduate level recipient may include an allowance for educational programs in the United States or educational programs abroad that—

(A) are closely linked to the overall goals of the recipient's course of study; and

(B) have the purpose of promoting foreign language fluency and knowledge of foreign cultures.

(e) APPLICATION.—Each institution of higher education or consortium of such institutions desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information and assurances as the Secretary may require. Each such application shall include—

(1) an explanation of how the activities funded by the grant will reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs; and

(2) a description of how the applicant will encourage government service in areas of national need, as identified by the Secretary, as well as in areas of need in the education, business, and nonprofit sectors.

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[SEC. 605. RESEARCH; STUDIES; ANNUAL REPORT.

[(a) AUTHORIZED ACTIVITIES.—The Secretary may, directly or through grants or contracts, conduct research and studies that contribute to achieving the purposes of this part. Such research and studies may include—

[(1) studies and surveys to determine needs for increased or improved instruction in foreign language, area studies, or other international fields, including the demand for foreign language, area, and other international specialists in government, education, and the private sector;

[(2) studies and surveys to assess the utilization of graduates of programs supported under this title by governmental, educational, and private sector organizations and other studies assessing the outcomes and effectiveness of programs so supported;

[(3) evaluation of the extent to which programs assisted under this title that address national needs would not otherwise be offered;

[(4) comparative studies of the effectiveness of strategies to provide international capabilities at institutions of higher education;

[(5) research on more effective methods of providing instruction and achieving competency in foreign languages, area studies, or other international fields;

[(6) the development and publication of specialized materials for use in foreign language, area studies, and other international fields, or for training foreign language, area, and other international specialists;

[(7) studies and surveys of the uses of technology in foreign language, area studies, and international studies programs;

[(8) studies and evaluations of effective practices in the dissemination of international information, materials, research, teaching strategies, and testing techniques throughout the education community, including elementary and secondary schools;

[(9) the application of performance tests and standards across all areas of foreign language instruction and classroom use;

[(10) evaluation of the extent to which programs assisted under this title reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs, as described in the grantee's application;

[(11) the systematic collection, analysis, and dissemination of data that contribute to achieving the purposes of this part; and

[(12) support for programs or activities to make data collected, analyzed, or disseminated under this section publicly available and easy to understand.

[(b) ANNUAL REPORT.—The Secretary shall prepare, publish, and announce an annual report listing the books and research materials produced with assistance under this section.

[SEC. 606. TECHNOLOGICAL INNOVATION AND COOPERATION FOR FOREIGN INFORMATION ACCESS.

[(a) AUTHORITY.—

[(1) IN GENERAL.—The Secretary is authorized to make grants to institutions of higher education, public or nonprofit private libraries, or partnerships between such institutions and other such institutions, libraries, or nonprofit educational organizations, to develop innovative techniques or programs using electronic technologies to collect, organize, preserve, and widely disseminate information from foreign sources on world regions and countries other than the United States that address our Nation's teaching and research needs in international education and foreign languages.

[(2) GRANT RECIPIENTS.—The Secretary may award grants under this section to carry out the activities authorized under this section to the following:

[(A) An institution of higher education.

[(B) A public or nonprofit private library.

[(C) A partnership of an institution of higher education and one or more of the following:

[(i) Another institution of higher education.

[(ii) A library.

[(iii) A nonprofit educational organization.

[(b) AUTHORIZED ACTIVITIES.—Grants under this section may be used—

[(1) to acquire, facilitate access to, or preserve foreign information resources in print or electronic forms;

[(2) to develop new means of immediate, full-text document delivery for information and scholarship from abroad;

[(3) to develop new means of or standards for shared electronic access to international data;

[(4) to support collaborative projects of indexing, cataloging, and other means of bibliographic access for scholars to important research materials published or distributed outside the United States;

[(5) to develop methods for the wide dissemination of resources written in non-Roman language alphabets;

[(6) to assist teachers of less commonly taught languages in acquiring, via electronic and other means, materials suitable for classroom use;

[(7) to promote collaborative technology based projects in foreign languages, area studies, and international studies among grant recipients under this title;

[(8) to establish linkages to facilitate carrying out the activities described in this subsection between—

[(A) the institutions of higher education, libraries, and partnerships receiving grants under this section; and

[(B) institutions of higher education, nonprofit educational organizations, and libraries overseas; and

[(9) to carry out other activities that the Secretary determines are consistent with the purpose of the grants awarded under this section.

[(c) APPLICATION.—Each institution of higher education, library, or partnership desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information and assurances as the Secretary may reasonably require.

[(d) MATCH REQUIRED.—The Federal share of the total cost of carrying out a program supported by a grant under this section shall not be more than 66⅔ percent. The non-Federal share of such cost may be provided either in-kind or in cash, and may include contributions from private sector corporations or foundations.]

SEC. 605. INTERNATIONAL RESEARCH AND INNOVATION.

(a) PURPOSE.—It is the purpose of this section to support essential international and foreign language education research and innovation projects with the goal of assessing and strengthening international education capacity, coordination, delivery, and outcomes to meet national needs.

(b) AUTHORITY.—

(1) IN GENERAL.—From the amount provided to carry out this section, the Secretary shall carry out the following activities:

(A) Conduct research and studies that contribute to the purpose described in subsection (a), which shall include research to provide a systematic understanding of the United States' international and foreign language education capacity, structures, and effectiveness in meeting growing demands by education, government, and the private sector (including business and other professions).

(B) Create innovative paradigms or enhance or scale up proven strategies and practices that address systemic challenges to developing and delivering international and foreign language education resources and expertise across educational disciplines, institutions, employers, and other stakeholders.

(C) Develop and manage a national standardized database that—

(i) includes the strengths, gaps, and trends in the United States' international and foreign language education capacity; and

(ii) documents the outcomes of programs funded under this title for every grant cycle.

(2) GRANTS OR CONTRACTS.—The Secretary shall carry out activities to achieve the outcomes described in paragraph (1)—

(A) directly; or

(B) through grants awarded under subsection (d) or (e).

(c) ELIGIBLE ENTITY DEFINED.—In this section, the term "eligible entity" means—

(1) an institution of higher education;

(2) a public or private nonprofit library;

(3) a nonprofit educational organization;

(4) an entity that—

(A) received a grant under this title for a preceding fiscal year; or

(B) is receiving a grant under this title as of the date of application for a grant under this section; or

(5) a partnership of two or more entities described in paragraphs (1) through (4).

(d) RESEARCH GRANTS.—

(1) PROGRAM AUTHORIZED.—For any fiscal year for which the Secretary carries out activities under subsection (b)(1) through research grants under this subsection, the Secretary shall award such grants, on a competitive basis, to eligible entities.

(2) REQUIRED ACTIVITIES.—An eligible entity that receives a grant under this subsection shall use the grant funds for the systematic development, collection, analysis, publication, and dissemination of data, and other information resources in a manner that is easily understandable, made publicly available, and that contributes to achieving the purposes of subsection (a) and carries out at least one activity under subsection (b)(1).

(3) DISCRETIONARY ACTIVITIES.—An eligible entity that receives a grant under this subsection may use the grant to carry out the following activities:

(A) Assess and document international and foreign language education capacity and supply through studies or surveys that—

(i) determine the number of foreign language courses, programs, and enrollments at all levels of education and in all languages, including a determination of gaps in those deemed critical to the national interest;

(ii) measure the number and types of degrees or certificates awarded in area studies, global studies, foreign language studies, and international business and professional studies, including identification of gaps in those deemed critical to the national interest;

(iii) measure the number of foreign language, area or international studies faculty, including international business faculty, and elementary school and secondary school foreign language teachers by language, degree, and world area; or

(iv) measure the number of undergraduate and graduate students engaging in long- or short-term education or internship abroad programs as part of their curriculum, including countries of destination.

(B) Assess the demands for, and outcomes of, international and foreign language education and their alignment, through studies, surveys, and conferences to—

(i) determine demands for increased or improved instruction in foreign language, area or global studies, or other international fields, and the demand for employees with such skills and knowledge in the education, government, and private sectors (including business and other professions);

(ii) assess the employment or utilization of graduates of programs supported under this title by educational, governmental, and private sector organizations (including business and other professions); or

(iii) assess standardized outcomes and effectiveness and benchmarking of programs supported under this title.

(C) Develop and publish specialized materials for use in foreign language, area, global, or other international studies, including in international business or other professional education or technical training, as appropriate.

(D) Conduct studies or surveys that identify and document systemic challenges and changes needed in higher education and elementary school and secondary school systems to make international and foreign language education available to all students as part of the basic curriculum, including challenges in current evaluation standards, entrance and graduation requirements, program accreditation, student degree requirements, or teacher and faculty legal workplace barriers to education and research abroad.

(E) With respect to underrepresented institutions of higher education (including minority-serving institutions or community colleges), carry out studies or surveys that identify and document—

(i) current systemic challenges and changes incentives, and partnerships needed to comprehensively and sustainably internationalize educational programming; or

(ii) short- and long-term outcomes of successful internationalization strategies and funding models.

(F) Evaluate the extent to which programs assisted under this title—

(i) reflect diverse perspectives and a wide range of views; and

(ii) generate debate on world regions and international affairs

(e) INNOVATION GRANTS.—

(1) PROGRAM AUTHORIZED.—For any fiscal year for which the Secretary carries out activities to achieve the outcomes described in subsection (b)(1) through innovation grants under this subsection, the Secretary shall award such grants, on a competitive basis, to eligible entities.

(2) USES OF FUNDS.—An eligible entity that receives an innovation grant under this subsection shall use the grant funds to fund projects consistent with this section, which may include one or more of the following:

(A) Innovative paradigms to improve communication, sharing, and delivery of resources that further the purposes described in subsection (a) including the following:

(i) Networking structures and systems to more effectively match graduates possessing international and foreign language education skills with employment needs.

(ii) Sharing international specialist expertise across institutions of higher education or in the workforce to pursue specialization or learning opportunities not available at any single institution of higher education, such as shared courses for studying less commonly taught languages, world areas or regions, international

business or other professional areas, or specialized research topics of national strategic interest.

(iii) Producing, collecting, organizing, preserving, and widely disseminating international and foreign language education expertise, resources, courses, and other information through the use of electronic technologies and other techniques.

(iv) Collaborative initiatives to identify, capture, and provide consistent access to, and creation of, digital global library resources that are beyond the capacity of any single eligible entity receiving a grant under this section or any single institution of higher education, including the professional development of library staff.

(v) Utilization of technology to create open-source resources in international, area, global, and foreign language studies that are adaptable to multiple educational settings and promote interdisciplinary partnerships between technologists, curriculum designers, international and foreign language education experts, language teachers, and librarians.

(B) Innovative curriculum, teaching, and learning strategies, including the following:

(i) New initiatives for collaborations of disciplinary programs with foreign language, area, global, and international studies, and education abroad programs that address the internationalization of such disciplinary studies with the purpose of producing globally competent graduates.

(ii) Innovative collaborations between established centers of international and foreign language education excellence and underrepresented institutions and populations seeking to further their goals for strengthening international, area, global, and foreign language studies, including at minority-serving institutions or community colleges.

(iii) Teaching and learning collaborations among foreign language, area, global, or other international studies with diaspora communities, including heritage students.

(iv) New approaches and methods to teaching emerging global issues, cross-regional interactions, and underrepresented regions or countries, such as project- and team-based learning.

(C) Innovative assessment and outcome tools and techniques that further the purposes described in subsection (a), including the following:

(i) International and foreign language education assessment techniques that are coupled with outcome-focused training modules, such as certificates or badges, immersion learning, or e-portfolio systems.

(ii) Effective and easily accessible methods of assessing professionally useful levels of proficiency in foreign languages or competencies in area, culture, and global knowledge or other international fields in programs under this title, which may include use of open access

online and other cost-effective tools for students and educators at all educational levels and in the workplace.

(f) APPLICATION.—Each eligible entity desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary shall require, including—

(1) a description of each proposed project the eligible entity plans to carry out under this section and how such project meets the purposes described in subsection (a);

(2) if applicable, a demonstration of why the entity needs a waiver or reduction of the matching requirement under subsection (g); and

(3) an assurance that each such proposed project will be self-sustainable after the grant term is completed.

(g) MATCHING REQUIREMENT.—

(1) IN GENERAL.—The Federal share of the total cost for carrying out a project supported by a grant under this section shall be no more than 66.66 percent of the cost of the project.

(2) NON-FEDERAL SHARE CONTRIBUTIONS.—The non-Federal share of such cost may be provided either in-kind or in cash, from institutional and non-institutional funds, including contributions from State or private sector corporations, nonprofits, or foundations.

(3) SPECIAL RULE.—The Secretary may waive or reduce the share required under paragraph (1) for eligible entities that—

(A) are minority-serving institutions or are community colleges; or

(B) demonstrate need in an application for such a waiver or reduction under subsection (f)(2).

(h) DATABASE AND REPORTING.—The Secretary shall directly, or through grants or contracts with an eligible grant recipient—

(1) establish, curate, maintain, and update at least every grant cycle, a publically available website which shall showcase the results of this section and serve as a user-friendly repository of the information, resources, and best practices generated through activities conducted under this section; and

(2) prepare, publish, and disseminate to Congress and the public at least once every 5 years, a report that summarizes key findings and policy issues from the activities conducted under this section, including as such activities relate to international and foreign language education and outcomes.

SEC. [607.] *606.* SELECTION OF CERTAIN GRANT RECIPIENTS.

(a) COMPETITIVE GRANTS.—The Secretary shall award grants under section 602 competitively on the basis of criteria that separately, but not less rigorously, evaluates—

(1) the applications for comprehensive foreign language and area or international studies centers and programs; and

(2) the applications for undergraduate foreign language and area or international studies centers and programs.

(b) SELECTION CRITERIA.—The Secretary shall set criteria for grants awarded under section 602 by which a determination of excellence shall be made to meet the differing objectives of graduate and undergraduate institutions. In keeping with the purposes of this part, the Secretary shall take into account the degree to which

activities of centers, programs, and fellowships at institutions of higher education address national needs, and generate information for and disseminate information to the public. The Secretary shall also consider an applicant's record of placing students into postgraduate employment, education, or training in areas of national need and an applicant's stated efforts to increase the number of such students that go into such placements.

(c) EQUITABLE DISTRIBUTION OF GRANTS.—The Secretary shall, to the extent practicable, award grants under this part (other than section 602) in such manner as to achieve an equitable distribution of the grant funds throughout the United States, based on the merit of a proposal as determined pursuant to a peer review process involving broadly representative professionals.

SEC. [608.] *607.* EQUITABLE DISTRIBUTION OF CERTAIN FUNDS.

(a) SELECTION CRITERIA.—The Secretary shall make excellence the criterion for selection of grants awarded under section 602.

(b) EQUITABLE DISTRIBUTION.—To the extent practicable and consistent with the criterion of excellence, the Secretary shall award grants under this part (other than section 602) in such a manner as will achieve an equitable distribution of funds throughout the United States.

(c) SUPPORT FOR UNDERGRADUATE EDUCATION.—The Secretary shall also award grants under this part in such manner as to ensure that an appropriate portion of the funds appropriated for this part (as determined by the Secretary) are used to support undergraduate education.

SEC. [609.] *608.* AMERICAN OVERSEAS RESEARCH CENTERS.

(a) CENTERS AUTHORIZED.—The Secretary is authorized to make grants to and enter into contracts with any American overseas research center that is a consortium of institutions of higher education (hereafter in this section referred to as a "center") to enable such center to promote postgraduate research, exchanges and area studies.

(b) USE OF GRANTS.—Grants made and contracts entered into pursuant to this section may be used to pay all or a portion of the cost of establishing or operating a center or program, including—

(1) the cost of faculty and staff stipends and salaries;

(2) the cost of faculty, staff, and student travel;

(3) the cost of the operation and maintenance of overseas facilities;

(4) the cost of teaching and research materials;

(5) the cost of acquisition, maintenance, and preservation of library collections;

(6) the cost of bringing visiting scholars and faculty to a center to teach or to conduct research;

(7) the cost of organizing and managing conferences; and

(8) the cost of publication and dissemination of material for the scholarly and general public.

(c) LIMITATION.—The Secretary shall only award grants to and enter into contracts with centers under this section that—

(1) receive more than 50 percent of their funding from public or private United States sources;

(2) have a permanent presence in the country in which the center is located; and

(3) are organizations described in section 501(c)(3) of the Internal Revenue Code of 1986 which are exempt from taxation under section 501(a) of such Code.

(d) DEVELOPMENT GRANTS.—The Secretary is authorized to make grants for the establishment of new centers. The grants may be used to fund activities that, within 1 year, will result in the creation of a center described in subsection (c).

(e) APPLICATION.—Each center desiring to receive a grant or contract under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information and assurances as the Secretary may require.

[SEC. 610. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2009, and such sums as may be necessary for each of the five succeeding fiscal years.]

PART B—BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS

SEC. 611. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

[(1) the future economic welfare of the United States will depend substantially on increasing international skills in the business and educational community and creating an awareness among the American public of the internationalization of our economy;

[(2) concerted efforts are necessary to engage business schools, language and area study programs, professional international affairs education programs, public and private sector organizations, and United States business in a mutually productive relationship which benefits the Nation's future economic interests;]

(1) the future welfare of the United States will depend substantially on increasing international and global skills in business, educational, and other professional communities and creating an awareness among the American public of the internationalization of our economy and numerous other professional areas important to the national interest;

(2) concerted efforts are necessary to engage business and other professional education and technical training programs, language, area, and global study programs, professional international affairs education programs, public and private sector organizations, and United States' business community in a mutually productive relationship which benefits the Nation's future economic and security interests;

(3) few linkages presently exist between the manpower and information needs of United States business [and the international] *and other professional fields and the international and global* education, language training and research capacities of institutions of higher education in the United States, and public and private organizations; and

(4) organizations such as world trade councils, world trade clubs, chambers of commerce and State departments of commerce*, as well as other professional organizations* are not adequately used to link universities and business *or other professions* for joint venture exploration and program development.

(b) PURPOSES.—It is the purpose of this part—

(1) to enhance the broad objective of this Act by increasing and promoting the Nation's capacity for international understanding [and economic enterprise]*, economic enterprise, and security* through the provision of suitable international education and training for business *and other professional* personnel in various stages of professional development; and

(2) to promote institutional and noninstitutional educational and training activities that will contribute to the ability of United States business [to prosper in an international] *and other professional fields to prosper in a global* economy.

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[SEC. 613. EDUCATION AND TRAINING PROGRAMS.

[(a) PROGRAM AUTHORIZED.—The Secretary shall make grants to, and enter into contracts with, institutions of higher education to pay the Federal share of the cost of programs designed to promote linkages between such institutions and the American business community engaged in international economic activity. Each program assisted under this section shall both enhance the international academic programs of institutions of higher education and provide appropriate services to the business community which will expand its capacity to engage in commerce abroad.

[(b) AUTHORIZED ACTIVITIES.—Eligible activities to be conducted by institutions of higher education pursuant to grants or contracts awarded under this section shall include—

[(1) innovation and improvement in international education curricula to serve the needs of the business community, including development of new programs for nontraditional, mid-career, or part-time students;

[(2) development of programs to inform the public of increasing international economic interdependence and the role of American business within the international economic system;

[(3) internationalization of curricula at the junior and community college level, and at undergraduate and graduate schools of business;

[(4) development of area studies programs, and interdisciplinary international programs;

[(5) establishment of export education programs through cooperative arrangements with regional and world trade centers and councils, and with bilateral and multilateral trade associations;

[(6) research for and development of specialized teaching materials, including language materials, and facilities appropriate to business-oriented students;

[(7) establishment of student and faculty fellowships and internships for training and education in international business activities;

[(8) development of opportunities for junior business and other professional school faculty to acquire or strengthen international skills and perspectives;

[(9) development of research programs on issues of common interest to institutions of higher education and private sector organizations and associations engaged in or promoting international economic activity;

[(10) the establishment of internships overseas to enable foreign language students to develop their foreign language skills and knowledge of foreign cultures and societies;

[(11) the establishment of linkages overseas with institutions of higher education and organizations that contribute to the educational objectives of this section; and

[(12) summer institutes in international business, foreign area and other international studies designed to carry out the purposes of this section.

[(c) APPLICATIONS.—No grant may be made and no contract may be entered into under this section unless an institution of higher education submits an application to the Secretary at such time and in such manner as the Secretary may reasonably require. Each such application shall be accompanied by a copy of the agreement entered into by the institution of higher education with a business enterprise, trade organization or association engaged in international economic activity, or a combination or consortium of such enterprises, organizations or associations, for the purpose of establishing, developing, improving or expanding activities eligible for assistance under subsection (b) of this section. Each such application shall contain assurances that the institution of higher education will use the assistance provided under this section to supplement and not to supplant activities conducted by institutions of higher education described in subsection (b). Each such application shall include an assurance that, where applicable, the activities funded by the grant will reflect diverse perspectives and a wide range of views on world regions and international affairs.

[(d) FEDERAL SHARE.—The Federal share under this part for each fiscal year shall not exceed 50 percent of the cost of such program.

[SEC. 614. AUTHORIZATION OF APPROPRIATIONS.

[(a) CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.—There are authorized to be appropriated such sums as may be necessary for the fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years to carry out the provisions of section 612.

[(b) EDUCATION AND TRAINING PROGRAMS.—There are authorized to be appropriated such sums as may be necessary for fiscal year 2009, and such sums as may be necessary for the five succeeding fiscal years, to carry out the provisions of section 613.]

SEC. 613. PROFESSIONAL AND TECHNICAL EDUCATION FOR GLOBAL COMPETITIVENESS.

(a) PURPOSE.—The purpose of this section is to support innovative strategies that provide undergraduate and graduate students with the global professional competencies, perspectives, and skills needed to strengthen and enrich global engagement and competitiveness in

a wide variety of professional and technical fields important to the national interest.

(b) PROGRAM AUTHORIZED.—The Secretary shall make grants to, or enter into contracts with eligible entities to pay the Federal share of the cost of programs designed to—

(1) establish an interdisciplinary global focus in the undergraduate and graduate curricula of business, science, technology, engineering, and other professional education and technical training programs to be determined by the Secretary based on national needs;

(2) produce graduates with proficiencies in both the global aspects of their professional education or technical training fields and international, cross-cultural, and foreign language skills; and

(3) provide appropriate services to or partnerships with the corporate, government, and nonprofit communities in order to expand knowledge and capacity for global engagement and competitiveness and provide internship or employment opportunities for students and graduates with international skills.

(c) MANDATORY ACTIVITIES.—An eligible entity that receives a grant under this section shall use the grant to carry out the following:

(1) With respect to undergraduate or graduate professional education and technical training curricula, incorporating—

(A) foreign language programs that lead to proficiency, including immersion opportunities;

(B) international, area, or global studies programs;

(C) education, internships, or other innovative or technological linkages abroad; and

(D) global business, economic, and trade studies, where appropriate.

(2) Innovating and improving international, global, and foreign language education curricula to serve the needs of business and other professional and nonprofit communities, including development of new programs for nontraditional, mid-career, or part-time students.

(3) Establishing education or internship abroad programs, domestic globally focused internships, or other innovative approaches to enable undergraduate or graduate students in professional education or technical training to develop foreign language skills and knowledge of foreign cultures, societies, and global dimensions of their professional fields.

(4) Developing collaborations between institutions of higher education and corporations or nonprofit organizations in order to strengthen engagement and competitiveness in global business, trade, or other global professional activities.

(d) DISCRETIONARY ACTIVITIES.—An eligible entity that receives a grant under this section may use the grant to carry out the following:

(1) Developing specialized teaching materials and courses, including foreign language and area or global studies materials, and innovative technological delivery systems appropriate for professionally oriented students.

(2) Establishing student fellowships or other innovative support opportunities, including for underrepresented populations,

first generation college students (defined in section 402A(h)), and heritage learners, for education and training in global professional development activities.

(3) Developing opportunities or fellowships for faculty or junior faculty of professional education or technical training (including the faculty of minority-serving institutions or community colleges) to acquire or strengthen international and global skills and perspectives.

(4) Creating institutes that take place over academic breaks, like the summer, including through technological means, and cover foreign language, world area, global, or other international studies in learning areas of global business, science, technology, engineering, or other professional education and training fields.

(5) Internationalizing curricula at minority-serving institutions or community colleges to further the purposes of this section.

(6) Establishing international linkages or partnerships with institutions of higher education, corporations, or organizations that contribute to the objectives of this section.

(7) Developing programs to inform the public of increasing global interdependence in professional education and technical training fields.

(8) Establishing trade education programs through agreements with regional, national, global, bilateral, or multilateral trade centers, councils, or associations.

(e) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and including such information as the Secretary may reasonably require, including assurances that—

(1) each proposed project will be self-sustainable after the grant term is completed;

(2) the institution of higher education will use the assistance provided under this section to supplement and not supplant activities described in subsection (c) or (d) that are conducted by the institution of higher education;

(3) in the case of eligible entities that are consortia of institutions of higher education, or partnership described in subsection (g)(1)(C), a copy of their partnership agreement that demonstrates compliance with subsection (c) will be provided to the Secretary;

(4) the activities funded by the grant will reflect diverse perspectives and a wide range of views of world regions and international affairs where applicable; and

(5) if applicable, a demonstration of why the eligible entity needs a waiver or reduction of the matching requirement under subsection (f).

(f) MATCHING REQUIREMENT.—

(1) IN GENERAL.—The Federal share of the total cost for carrying out a program supported by a grant under this section shall be not more than 50 percent of the total cost of the project.

(2) NON-FEDERAL SHARE CONTRIBUTIONS.—The non-Federal share of such cost may be provided either in-kind or in cash, from institutional and non-institutional funds, including con-

tributions from State and private sector corporations, nonprofits, or foundations.

(3) SPECIAL RULE.—The Secretary may waive or reduce the share required under paragraph (1) for eligible entities that—

(A) are minority-serving institutions or are community colleges; or

(B) have submitted a grant application as required by subsection (e) that demonstrates a need for such a waiver or reduction.

(g) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term "eligible entity" means—

(A) an institution of higher education;

(B) a consortia of such institutions; or

(C) a partnership between—

(i) an institution of higher education or a consortia of such institutions; and

(ii) at least one corporate or nonprofit entity.

(2) PROFESSIONAL EDUCATION AND TECHNICAL TRAINING.—The term "professional education and technical training" means a program at an institution of higher education that offers undergraduate, graduate, or postgraduate level education in a professional or technical field that is determined by the Secretary as meeting a national need for global or international competency (which may include business, science, technology, engineering, law, health, energy, environment, agriculture, transportation, or education).

(h) FUNDING RULE.—Notwithstanding any other provision of this title, funds made available to the Secretary for a fiscal year may not be obligated or expended to carry out this section unless the funds appropriated for such fiscal year to carry out this title exceeds $65,103,000.

[PART C—INSTITUTE FOR INTERNATIONAL PUBLIC POLICY

[SEC. 621. MINORITY FOREIGN SERVICE PROFESSIONAL DEVELOPMENT PROGRAM.

[(a) ESTABLISHMENT.—The Secretary is authorized to award a grant, on a competitive basis, to an eligible recipient to enable such recipient to establish an Institute for International Public Policy (hereafter in this part referred to as the "Institute"). The Institute shall conduct a program to enhance the international competitiveness of the United States by increasing the participation of underrepresented populations in the international service, including private international voluntary organizations and the foreign service of the United States. Such program shall include a program for such students to study abroad in their junior year, fellowships for graduate study, internships, intensive academic programs such as summer institutes, or intensive language training.

[(b) DEFINITION OF ELIGIBLE RECIPIENT.—

[(1) IN GENERAL.—For the purpose of this part, the term "eligible recipient" means a consortium consisting of 1 or more of the following entities:

[(A) An institution eligible for assistance under part B of title III of this Act.

[(B) A tribally controlled college or university or Alaska Native or Native Hawaiian-serving institution eligible for assistance under part A or B of title III, or an institution eligible for assistance under title V.

[(C) An institution of higher education that serves substantial numbers of underrepresented minority students.

[(D) An institution of higher education with programs in training foreign service professionals.

[(2) HOST INSTITUTION.—Each eligible recipient receiving a grant under this section shall designate an institution of higher education as the host institution for the Institute.

[(c) APPLICATION.—

[(1) IN GENERAL.—Each eligible recipient desiring a grant under this section shall submit an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

[(2) CONTENT OF APPLICATION.—Each application submitted under paragraph (1) shall include a description of how the activities funded by the grant will reflect diverse perspectives and a wide range of views and generate debate on world regions and international affairs, where applicable.

[(d) DURATION.—Grants made pursuant to this section shall be awarded for a period not to exceed 5 years.

[(e) MATCH REQUIRED.—The eligible recipient of a grant under this section shall contribute to the conduct of the program supported by the grant an amount from non-Federal sources equal to at least one-half the amount of the grant, which contribution may be in cash or in kind.

[SEC. 622. INSTITUTIONAL DEVELOPMENT.

[(a) IN GENERAL.—The Institute shall award grants, from amounts available to the Institute for each fiscal year, to historically Black colleges and universities, Hispanic-serving institutions, tribally controlled colleges or universities, and minority institutions, to enable such colleges, universities, and institutions to strengthen international affairs, international business, and foreign language study programs, including the teaching of foreign languages, at such colleges, universities, and institutions, respectively, which may include collaboration with institutions of higher education that receive funding under this title.

[(b) APPLICATION.—No grant may be made by the Institute unless an application is made by the college, university, or institution at such time, in such manner, and accompanied by such information as the Institute may require.

[(c) DEFINITIONS.—In this section—

[(1) the term "Hispanic-serving institution" has the meaning given the term in section 502; and

[(2) the term "minority institution" has the meaning given the term in section 365.

[SEC. 623. STUDY ABROAD PROGRAM.

[(a) PROGRAM AUTHORITY.—The Institute shall conduct, by grant or contract, a junior year abroad program. The junior year abroad program shall be open to eligible students at institutions of higher education, including historically Black colleges and universities, tribally controlled colleges or universities, Alaska Native-serving,

Native Hawaiian-serving, and Hispanic-serving institutions, and other institutions of higher education with significant minority student populations. Eligible student expenses shall be shared by the Institute and the institution at which the student is in attendance. Each student may spend not more than 9 months abroad in a program of academic study, as well as social, familial and political interactions designed to foster an understanding of and familiarity with the language, culture, economics and governance of the host country.

[(b) DEFINITION OF ELIGIBLE STUDENT.—For the purpose of this section, the term "eligible student" means a student that is—

[(1) enrolled full-time in a baccalaureate degree program at an institution of higher education; and

[(2) entering the third year of study, or completing the third year of study in the case of a summer abroad program, at an institution of higher education which nominates such student for participation in the study abroad program.

[(c) SPECIAL RULE.—An institution of higher education desiring to send a student on the study abroad program shall enter into a Memorandum of Understanding with the Institute under which such institution of higher education agrees to—

[(1) provide the requisite academic preparation for students participating in the study abroad or internship programs;

[(2) pay one-third the cost of each student it nominates for participation in the study abroad program; and

[(3) meet such other requirements as the Secretary may from time to time, by regulation, reasonably require.

[SEC. 624. ADVANCED DEGREE IN INTERNATIONAL RELATIONS.

[The Institute shall provide, in cooperation with the other members participating in the eligible recipient consortium, a program of study leading to an advanced degree in international relations, international affairs, international economics, or other academic areas related to the Institute fellow's career objectives. The advanced degree study program shall be designed by the consortia, consistent with the fellow's career objectives, and shall be reviewed and approved by the Secretary. The Institute may grant fellowships in an amount not to exceed the level of support comparable to that provided by the National Science Foundation graduate fellowships, except such amount shall be adjusted as necessary so as not to exceed the fellow's demonstrated level of need according to measurement of need approved by the Secretary. A fellowship recipient shall agree to undertake full-time study and to enter the international service (including work with private international voluntary organizations) or foreign service of the United States.

[SEC. 625. INTERNSHIPS.

[(a) IN GENERAL.—The Institute shall enter into agreements with historically Black colleges and universities, tribally controlled colleges or universities, Alaska Native-serving, Native Hawaiian-serving, and Hispanic-serving institutions, other institutions of higher education with significant numbers of minority students, and institutions of higher education with programs in training foreign service professionals, to provide academic year internships during the junior and senior year and summer internships following the sophomore and junior academic years, by work place-

ments with international, voluntary or government organizations or agencies, including the Agency for International Development, the Department of State, the International Monetary Fund, the National Security Council, the Organization of American States, the Export-Import Bank, the Overseas Private Investment Corporation, the Department of State, Office of the United States Trade Representative, the World Bank, and the United Nations.

[(b) POSTBACCALAUREATE INTERNSHIPS.—The Institute shall enter into agreements with institutions of higher education described in the first sentence of subsection (a) to conduct internships for students who have completed study for a baccalaureate degree. The internship program authorized by this subsection shall—

[(1) assist the students to prepare for a master's degree program;

[(2) be carried out with the assistance of the Woodrow Wilson International Center for Scholars; and

[(3) contain work experience for the students designed to contribute to the students' preparation for a master's degree program.

[(c) INTERAGENCY COMMITTEE ON MINORITY CAREERS IN INTERNATIONAL AFFAIRS.—

[(1) ESTABLISHMENT.—There is established in the executive branch of the Federal Government an Interagency Committee on Minority Careers in International Affairs composed of not less than 7 members, including—

[(A) the Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs, or the designee of that Under Secretary;

[(B) the Assistant Secretary and Director General, of the United States and Foreign Commercial Service of the Department of Commerce, or the Assistant Secretary and Director General's designee;

[(C) the Under Secretary of Defense for Personnel and Readiness of the Department of Defense, or the Under Secretary's designee;

[(D) the Assistant Secretary for Postsecondary Education in the Department of Education, or the Assistant Secretary's designee;

[(E) the Director General of the Foreign Service of the Department of State, or the Director General's designee; and

[(F) the General Counsel of the Agency for International Development, or the General Counsel's designee.

[(2) FUNCTIONS.—The Interagency Committee established by this section shall—

[(A) on an annual basis inform the Secretary and the Institute regarding ways to advise students participating in the internship program assisted under this section with respect to goals for careers in international affairs;

[(B) locate for students potential internship opportunities in the Federal Government related to international affairs; and

[(C) promote policies in each department and agency participating in the Committee that are designed to carry out the objectives of this part.

[SEC. 626. FINANCIAL ASSISTANCE.

[(a) AUTHORITY.—The Institute may provide financial assistance, in the form of summer stipends described in subsection (b) and Ralph Bunche scholarship assistance described in subsection (c), to low-income students to facilitate the participation of the students in the Institute's programs under this part.

[(b) SUMMER STIPENDS.—

[(1) REQUIREMENTS.—A student receiving a summer stipend under this section shall use such stipend to defray the student's cost of participation in a summer institute program funded under this part, including the costs of travel, living, and educational expenses necessary for the student's participation in such program.

[(2) AMOUNT.—A summer stipend awarded to a student under this section shall not exceed $3,000 per summer.

[(c) RALPH BUNCHE SCHOLARSHIP.—

[(1) REQUIREMENTS.—A student receiving a Ralph Bunche scholarship under this section—

[(A) shall be a full-time student at an institution of higher education who is accepted into a program funded under this part; and

[(B) shall use such scholarship to pay costs related to the cost of attendance, as defined in section 472, at the institution of higher education in which the student is enrolled.

[(2) AMOUNT AND DURATION.—A Ralph Bunche scholarship awarded to a student under this section shall not exceed $5,000 per academic year.

[SEC. 627. REPORT.

[The Institute shall prepare a report once every two years on the activities of the Institute and shall submit such report to the Secretary of Education and the Secretary of State.

[SEC. 628. GIFTS AND DONATIONS.

[The Institute is authorized to receive money and other property donated, bequeathed, or devised to the Institute with or without a condition of restriction, for the purpose of providing financial support for the fellowships or underwriting the cost of the Junior Year Abroad Program. All funds or property given, devised, or bequeathed shall be retained in a separate account, and an accounting of those funds and property shall be included in the report described in section 627.

[SEC. 629. AUTHORIZATION.

[There is authorized to be appropriated such sums as may be necessary for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years to carry out this part.]

PART D—GENERAL PROVISIONS

SEC. 631. DEFINITIONS.

(a) DEFINITIONS.—As used in this title—

(1) the term "area studies" means a program of comprehensive study of the aspects of a society or societies, including study of its history, culture, economy, politics, international relations and languages;

(2) the term "comprehensive foreign language and area or international studies center" means an administrative unit of a university that contributes significantly to the national interest in advanced research and scholarship, employs a critical mass of scholars in diverse disciplines related to a geographic concentration, offers intensive language training in languages of its area specialization, maintains important library collections related to the area, and makes training available in language and area studies to a graduate, postgraduate, and undergraduate clientele; and

(3) the term "educational programs abroad" means programs of study, internships, or service learning outside the United States which are part of a foreign language or other international curriculum at the undergraduate or graduate education levels;

(4) the term "export education" means educating, teaching and training to provide general knowledge and specific skills pertinent to the selling of goods and services to other countries, including knowledge of market conditions, financial arrangements, laws and procedures;

(5) the term "historically Black college and university" has the meaning given the term "part B institution" in section 322;

(6) the term "institution of higher education" means, in addition to institutions which meet the definition of section 101 of this Act, institutions which meet the requirements of section 101 of this Act except that (1) they are not located in the United States, and (2) they apply for assistance under this title in consortia with institutions which meet the definition of section 101 of this Act;

(7) the term "international business" means profit-oriented business relationships conducted across national boundaries and includes activities such as the buying and selling of goods, investments in industries, the licensing of processes, patents and trademarks, and the supply of services;

(8) the term "internationalization of curricula" means the incorporation of international or comparative perspectives in existing courses of study or the addition of new components to the curricula to provide an international context for American business education;

(9) the term "tribally controlled college or university" has the meaning given the term in section 2 of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (25 U.S.C. 1801); **[**and**]**

(10) the term "undergraduate foreign language and area or international studies center" means an administrative unit of an institution of higher education, including but not limited to 4-year colleges, that contributes significantly to the national interest through the education and training of students who matriculate into advanced language and area studies programs, professional school programs, or incorporates substantial international and foreign language content into baccalaureate degree programs, engages in research, curriculum development and community outreach activities designed to broaden international and foreign language knowledge, employs faculty with strong language, area, and international

studies credentials, maintains library holdings, including basic reference works, journals, and works in translation, and makes training available predominantly to undergraduate students[.]*;*

(11) the term "community college" has the meaning given the term "junior or community college" in section 312(f);

(12) the term "heritage student" means a postsecondary student who—

(A) was born in the United States to immigrant parents or immigrated to the United States at an early age;

(B) is proficient in English, but raised in a family primarily speaking 1 or more languages of the country of origin; and

(C) maintains a close affinity with the family's culture and language of origin; and

(13) the term "minority-serving institution" means an institution of higher education that is eligible to receive a grant under part A or B of title III or title V.

(b) SPECIAL CONDITIONS.—All references to individuals or organizations, unless the context otherwise requires, mean individuals who are citizens or permanent residents of the United States or organizations which are organized or incorporated in the United States.

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[SEC. 637. SCIENCE AND TECHNOLOGY ADVANCED FOREIGN LANGUAGE EDUCATION GRANT PROGRAM.

[(a) PURPOSE.—It is the purpose of this section to support programs in institutions of higher education that—

[(1) encourage students to develop—

[(A) an understanding of science and technology; and

[(B) foreign language proficiency;

[(2) foster future international scientific collaboration;

[(3) provide for professional development opportunities for elementary school and secondary school teachers of critical foreign languages to increase the number of highly qualified teachers in critical foreign languages; and

[(4) increase the number of United States students who achieve the highest level of proficiency in foreign languages critical to the security and competitiveness of the Nation.

[(b) DEVELOPMENT.—The Secretary shall develop a program for the awarding of grants to institutions of higher education that develop innovative programs for the teaching of foreign languages, which may include the preparation of teachers to teach foreign languages.

[(c) REGULATIONS AND REQUIREMENTS.—The Secretary shall promulgate regulations for the awarding of grants under subsection (b). Such regulations may require institutions of higher education to use grant funds for, among other things—

[(1) the development of an on-campus cultural awareness program by which students attend classes taught in a foreign language and study the science and technology developments and practices in a non-English speaking country;

[(2) immersion programs where students take science or technology related course work in a non-English speaking country;

[(3) other programs, such as summer workshops, that emphasize the intense study of a foreign language and science technology;

[(4) if applicable, recruiting highly qualified teachers in critical foreign languages, and providing professional development activities for such teachers at the elementary school and secondary school levels; and

[(5) providing innovative opportunities for students that will allow for critical language learning, such as immersion environments, intensive study opportunities, internships, and distance learning.

[(d) GRANT DISTRIBUTION.—In distributing grants to institutions of higher education under this section, the Secretary shall give priority to—

[(1) institutions that have programs focusing on curricula that combine the study of foreign languages and the study of science and technology and produce graduates who have both skills; and

[(2) institutions teaching critical foreign languages.

[(e) REPORT ON BEST PRACTICES.—Not later than one year after the date of enactment of this section, the Secretary shall—

[(1) conduct a study to identify the best practices to strengthen the role of institutions of higher education that receive funding under title III or title V in increasing the critical foreign language education efforts in the United States; and

[(2) submit a report on the results of such study to the authorizing committees.

[(f) APPROPRIATIONS AUTHORIZED.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for fiscal year 2009 and for each subsequent fiscal year.]

SEC. [638.] *637.* REPORTING BY INSTITUTIONS.

(a) APPLICABILITY.—The data requirement in subsection (b) shall apply to an institution of higher education that receives funds for a center or program under this title if—

(1) the amount of the contribution (including cash and the fair market value of any property) received from any foreign government or from a foreign private sector corporation or foundation during any fiscal year exceeds $250,000 in the aggregate; and

(2) the aggregate contribution, or a significant part of the aggregate contribution, is to be used by a center or program receiving funds under this title.

(b) DATA REQUIRED.—The Secretary shall require an institution of higher education referred to in subsection (a) to report information listed in subsection (a) to the Secretary consistent with the requirements of section 117.

SEC. 638. PRIORITY TO MINORITY-SERVING INSTITUTIONS.

(a) PRIORITY.—In seeking applications and awarding grants under this title, the Secretary, may give priority to—

(1) minority-serving institutions; or

(2) institutions of higher education that apply for such grants that propose significant and sustained collaborative activities with one or more minority-serving institutions.

(b) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to minority-serving institutions to ensure maximum distribution of grants to eligible minority-serving institutions and among each category of such institutions.

SEC. 639. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated to carry out this title $125,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

(b) ADJUSTMENT FOR INFLATION.—

(1) IN GENERAL.—The amount authorized to be appropriated under subsection (a) for fiscal year 2022 and each of the 4 succeeding fiscal years shall be deemed increased by a percentage equal to the annual adjustment percentage.

(2) DEFINITION.—In this subsection, the term "annual adjustment percentage" as applied to a fiscal year, means the estimated percentage change in the Consumer Price Index (as determined by the Secretary, using the definition in section 478(f)) for the most recent calendar year ending prior to the beginning of that fiscal year.

TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS

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PART A—GRADUATE EDUCATION PROGRAMS

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Subpart 2—Graduate Assistance in Areas of National Need

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SEC. 716. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $35,000,000 for fiscal year [2009] *2021* and each of the five succeeding fiscal years to carry out this subpart.

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Subpart 4—Masters Degree Programs at Historically Black Colleges and Universities and Predominantly Black Institutions

SEC. 723. MASTERS DEGREE PROGRAMS AT HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

(a) GRANT PROGRAM AUTHORIZED.—

(1) IN GENERAL.—Subject to the availability of funds appropriated to carry out this section, the Secretary shall award program grants to each of the institutions listed in subsection

(b)(1) that is determined by the Secretary to be making a substantial contribution to graduate education opportunities at the masters level in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines for Black Americans.

(2) ASSURANCE OF NON-FEDERAL MATCHING FUNDS.—No grant in excess of $1,000,000 may be made under this section unless the institution provides assurances that 50 percent of the cost of the purposes for which the grant is made will be paid from non-Federal sources, except that no institution shall be required to match any portion of the first $1,000,000 of the institution's award from the Secretary. After funds are made available to each eligible institution under the funding rules described in subsection (f), the Secretary shall distribute, on a pro rata basis, any amounts which were not so made available (by reason of the failure of an institution to comply with the matching requirements of this paragraph) among the institutions that have complied with such matching requirement.

(3) MINIMUM AWARD.—Subject to subsections (f) and (g), the amount awarded to each eligible institution listed in subsection (b)(1) for a fiscal year shall be not less than $500,000.

(4) DURATION OF GRANTS.—A grant awarded under this section shall be for a period of not more than six years, but may be periodically renewed for a period to be determined by the Secretary.

(b) INSTITUTIONAL ELIGIBILITY.—

(1) IN GENERAL.—Institutions eligible for grants under subsection (a) are the following:

(A) Albany State University.
(B) Alcorn State University.
(C) Claflin University.
(D) Coppin State University.
(E) Elizabeth City State University.
(F) Fayetteville State University.
(G) Fisk University.
(H) Fort Valley State University.
(I) Grambling State University.
(J) Kentucky State University.
(K) Mississippi Valley State University.
(L) Savannah State University.
(M) South Carolina State University.
(N) University of Arkansas, Pine Bluff.
(O) Virginia State University.
(P) West Virginia State University.
(Q) Wilberforce University.
(R) Winston-Salem State University.

(S) Each institution not listed under subparagraphs (A) through (R) that is eligible to receive funds under part B of title III and that offers a qualified masters degree program.

(2) QUALIFIED MASTERS DEGREE PROGRAM.—

(A) IN GENERAL.—For the purposes of this section, the term "qualified masters degree program" means a masters degree program that provides a program of instruction in

mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines in which African Americans are underrepresented and has students enrolled in such program of instruction at the time of application for a grant under this section.

(B) ENROLLMENT EXCEPTION.—Notwithstanding the enrollment requirement contained in subparagraph (A), an institution may use an amount equal to not more than 10 percent of the institution's grant under this section for the development of a new qualified masters degree program.

(3) INSTITUTIONAL CHOICE.—The president or chancellor of the institution may decide which graduate school or qualified masters degree program will receive funds under the grant in any one fiscal year, if the allocation of funds among the schools or programs is delineated in the application for funds submitted to the Secretary under this section.

(4) ONE GRANT PER INSTITUTION.—The Secretary shall not award more than one grant under this section in any fiscal year to any institution of higher education.

(c) APPLICATION.—An eligible institution listed in subsection (b)(1) desiring a grant under this section shall submit an application at such time, in such manner, and containing such information as the Secretary may require. The application shall—

(1) demonstrate how the grant funds under this section will be used to improve graduate educational opportunities for Black and low-income students, and lead to greater financial independence; and

(2) provide, in the case of applications for grants in excess of $1,000,000, the assurances required under subsection (a)(2) and specify the manner in which the eligible institution is going to pay the non-Federal share of the cost of the application.

(d) USES OF FUNDS.—A grant under this section may be used for—

(1) purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

(2) construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services;

(3) purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials;

(4) scholarships, fellowships, and other financial assistance for needy graduate students to permit the enrollment of the students in, and completion of, a masters degree in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines in which African Americans are underrepresented;

(5) establishing or improving a development office to strengthen and increase contributions from alumni and the private sector;

(6) assisting in the establishment or maintenance of an institutional endowment to facilitate financial independence pursuant to section 331;

(7) funds and administrative management, and the acquisition of equipment, including software, for use in strengthening funds management and management information systems;

(8) acquisition of real property that is adjacent to the campus in connection with the construction, renovation, or improvement of, or an addition to, campus facilities;

(9) education or financial information designed to improve the financial literacy and economic literacy of students or the students' families, especially with regard to student indebtedness and student assistance programs under title IV;

(10) tutoring, counseling, and student service programs designed to improve academic success;

(11) faculty professional development, faculty exchanges, and faculty participation in professional conferences and meetings; and

(12) other activities proposed in the application submitted under subsection (c) that—

(A) contribute to carrying out the purposes of this section; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

(e) INTERACTION WITH OTHER GRANT PROGRAMS.—No institution that is eligible for and receives an award under section 326, 512, **[**or 724**]** *or 724, or subpart 5 or 6 of this part* for a fiscal year shall be eligible to apply for a grant, or receive grant funds, under this section for the same fiscal year.

(f) FUNDING RULE.—Subject to subsection (g), of the amount appropriated to carry out this section for any fiscal year—

(1) the first $9,000,000 (or any lesser amount appropriated) shall be available only for the purposes of making minimum grants under subsection (a)(3) to eligible institutions listed in subparagraphs (A) through (R) of subsection (b)(1), except that if the amount appropriated is not sufficient to pay the minimum grant awards to all such eligible institutions, the amount of the minimum award to each such eligible institution shall be ratably reduced;

(2) after the application of paragraph (1), an amount shall be available for the purpose of making minimum grants under subsection (a)(3) to eligible institutions listed in subsection (b)(1) that do not receive a grant under paragraph (1), if any, except that if the amount appropriated is not sufficient to pay the minimum grant awards to all such eligible institutions, the amount of the minimum award to each such eligible institution shall be ratably reduced; and

(3) **[**any amount in excess of $9,000,000**]** *after the application of paragraph (2), the remaining amount* shall be made available to each of the eligible institutions identified in subparagraphs (A) through **[**(R)**]***(S)* of subsection (b)(1), pursuant to a formula developed by the Secretary that uses the following elements:

(A) The ability of the institution to match Federal funds with non-Federal funds.

(B) The number of students enrolled in the qualified masters degree program at the eligible institution in the previous academic year.

(C) The average cost of attendance per student, for all full-time students enrolled in the qualified masters degree program at such institution.

(D) The number of students in the previous year who received a degree in the qualified masters degree program at such institution.

(E) The contribution, on a percent basis, of the programs for which the institution is eligible to receive funds under this section to the total number of African Americans receiving masters degrees in the disciplines related to the programs for the previous year.

(g) HOLD HARMLESS RULE.—Notwithstanding paragraphs (2) and (3) of subsection (f), no eligible institution identified in subsection (b)(1) that receives a grant under this section for fiscal year 2009 and that is eligible to receive a grant for a subsequent fiscal year shall receive a grant amount for any such subsequent fiscal year that is less than the grant amount received for fiscal year 2009, unless—

(1) the amount appropriated is not sufficient to provide such grant amounts to all such institutions and programs that received grants under this section for such fiscal year and that are eligible to receive a grant in such subsequent fiscal year; or

(2) the institution cannot provide sufficient matching funds to meet the requirements of this section.

SEC. 724. MASTERS DEGREE PROGRAMS AT PREDOMINANTLY BLACK INSTITUTIONS.

(a) GRANT PROGRAM AUTHORIZED.—

(1) IN GENERAL.—Subject to the availability of funds appropriated to carry out this section, the Secretary shall award program grants to each of the institutions listed in subsection (b)(1) that is determined by the Secretary to be making a substantial contribution to graduate education opportunities at the masters level in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines for Black Americans.

(2) ASSURANCE OF NON-FEDERAL MATCHING FUNDS.—No grant in excess of $1,000,000 may be made under this section unless the institution provides assurances that 50 percent of the cost of the purposes for which the grant is made will be paid from non-Federal sources, except that no institution shall be required to match any portion of the first $1,000,000 of the institution's award from the Secretary. After funds are made available to each eligible institution under the funding rules described in subsection (f), the Secretary shall distribute, on a pro rata basis, any amounts which were not so made available (by reason of the failure of an institution to comply with the matching requirements of this paragraph) among the institutions that have complied with such matching requirement.

(3) MINIMUM AWARD.—Subject to subsections (f) and (g), the amount awarded to each eligible institution listed in subsection (b)(1) for a fiscal year shall be not less than $500,000.

(4) DURATION OF GRANTS.—A grant awarded under this section shall be for a period of not more than six years, but may be periodically renewed for a period to be determined by the Secretary.

(b) INSTITUTIONAL ELIGIBILITY.—

(1) IN GENERAL.—Institutions eligible for grants under subsection (a) are the following:

(A) Chicago State University.

(B) Columbia Union College.

(C) Long Island University, Brooklyn campus.

(D) Robert Morris College.

(E) York College, The City University of New York.

(F) Each institution not listed in subparagraph (A) through (E) that is eligible to receive funds under section 318 and that offers a qualified masters degree program.

(2) QUALIFIED MASTERS DEGREE PROGRAM.—

(A) IN GENERAL.—For the purposes of this section, the term "qualified masters degree program" means a masters degree program that provides a program of instruction in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines in which African Americans are underrepresented and has students enrolled in such program of instruction at the time of application for a grant under this section.

(B) ENROLLMENT EXCEPTION.—Notwithstanding the enrollment requirement contained in subparagraph (A), an institution may use an amount equal to not more than 10 percent of the institution's grant under this section for the development of a new qualified masters degree program.

(3) INSTITUTIONAL CHOICE.—The president or chancellor of the institution may decide which graduate school or qualified masters degree program will receive funds under the grant in any one fiscal year, if the allocation of funds among the schools or programs is delineated in the application for funds submitted to the Secretary under this section.

(4) ONE GRANT PER INSTITUTION.—The Secretary shall not award more than one grant under this section in any fiscal year to any institution of higher education.

(c) APPLICATION.—An eligible institution listed in subsection (b)(1) desiring a grant under this section shall submit an application at such time, in such manner, and containing such information as the Secretary may require. The application shall—

(1) demonstrate how the grant funds under this section will be used to improve graduate educational opportunities for Black and low-income students and lead to greater financial independence; and

(2) provide, in the case of applications for grants in excess of $1,000,000, the assurances required under subsection (a)(2) and specify the manner in which the eligible institution is going to pay the non-Federal share of the cost of the application.

(d) USES OF FUNDS.—A grant under this section may be used for—

(1) purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

(2) construction, maintenance, renovation, and improvement in classroom, library, laboratory, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services;

(3) purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials;

(4) scholarships, fellowships, and other financial assistance for needy graduate students to permit the enrollment of the students in, and completion of, a masters degree in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines in which African Americans are underrepresented;

(5) establishing or improving a development office to strengthen and increase contributions from alumni and the private sector;

(6) assisting in the establishment or maintenance of an institutional endowment to facilitate financial independence pursuant to section 331;

(7) funds and administrative management, and the acquisition of equipment, including software, for use in strengthening funds management and management information systems;

(8) acquisition of real property that is adjacent to the campus in connection with the construction, renovation, or improvement of, or an addition to, campus facilities;

(9) education or financial information designed to improve the financial literacy and economic literacy of students or the students' families, especially with regard to student indebtedness and student assistance programs under title IV;

(10) tutoring, counseling, and student service programs designed to improve academic success;

(11) faculty professional development, faculty exchanges, and faculty participation in professional conferences and meetings; and

(12) other activities proposed in the application submitted under subsection (c) that—

(A) contribute to carrying out the purposes of this section; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

(e) INTERACTION WITH OTHER GRANT PROGRAMS.—No institution that is eligible for and receives an award under section 326, 512, ⟦or 723⟧ *or 723, or subpart 5 or 6* for a fiscal year shall be eligible to apply for a grant, or receive grant funds, under this section for the same fiscal year.

(f) FUNDING RULE.—Subject to subsection (g), of the amount appropriated to carry out this section for any fiscal year—

(1) the first $2,500,000 (or any lesser amount appropriated) shall be available only for the purposes of making minimum

grants under subsection (a)(3) to eligible institutions listed in subparagraphs (A) through (E) of subsection (b)(1), except that if the amount appropriated is not sufficient to pay the minimum grant awards to all such eligible institutions, the amount of the minimum award to each such eligible institution shall be ratably reduced;

(2) after the application of paragraph (1), an amount shall be available for the purpose of making minimum grants under subsection (a)(3) to eligible institutions described in subsection (b)(1) that do not receive a grant under paragraph (1), if any, except that if the amount appropriated is not sufficient to pay the minimum grant awards to all such eligible institutions, the amount of the minimum award to each such eligible institution shall be ratably reduced; and

(3) [any amount in excess of $2,500,000] *after the application of paragraph (2), any remaining amount* shall be made available to each of the eligible institutions identified in subparagraphs (A) through [(E)] *(F)* of subsection (b)(1), pursuant to a formula developed by the Secretary that uses the following elements:

(A) The ability of the institution to match Federal funds with non-Federal funds.

(B) The number of students enrolled in the qualified masters degree program at the eligible institution in the previous academic year.

(C) The average cost of attendance per student, for all full-time students enrolled in the qualified masters degree program at such institution.

(D) The number of students in the previous year who received a degree in the qualified masters degree program at such institution.

(E) The contribution, on a percent basis, of the programs for which the institution is eligible to receive funds under this section to the total number of African Americans receiving masters degrees in the disciplines related to the programs for the previous year.

(g) HOLD HARMLESS RULE.—Notwithstanding paragraphs (2) and (3) of subsection (f), no eligible institution identified in subsection (b)(1) that receives a grant under this section for fiscal year 2009 and that is eligible to receive a grant in a subsequent fiscal year shall receive a grant amount in any such subsequent fiscal year that is less than the grant amount received for fiscal year 2009, unless—

(1) the amount appropriated is not sufficient to provide such grant amounts to all such institutions and programs that received grants under this section for such fiscal year and that are eligible to receive a grant in such subsequent fiscal year; or

(2) the institution cannot provide sufficient matching funds to meet the requirements of this section.

* * * * * * *

Subpart 5—Graduate Opportunities at Asian American and Native American Pacific Islander Serving Institutions

SEC. 726. GRANT PROGRAM ESTABLISHED.

(a) IN GENERAL.—Subject to the availability of funds appropriated to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible institutions to enable the eligible institutions to carry out the activities described in section 727.

(b) AWARD OF GRANT FUNDS.—Of the funds appropriated to carry out this subpart for a fiscal year, the Secretary—

(1) shall reserve—

(A) not less than one-third of such funds to award grants to carry out the activities described in section 727(b); and

(B) not less than one-third of such funds to award grants to carry out the activities described in section 727(c); and

(2) may use the amount of funds remaining after the reservation required under paragraph (1) to award grants to carry out the activities described in subsections (b) and (c) of section 727.

(c) DURATION.—Grants under this subpart shall be awarded for a period not to exceed five years.

(d) LIMITATION ON NUMBER OF AWARDS.—The Secretary may not award more than one grant under this subpart in any fiscal year to any Asian American and Native American Pacific Islander-serving institutions.

(e) APPLICATION.—Any eligible institution may apply for a grant under this subpart by submitting an application to the Secretary at such time and in such manner as the Secretary may require. Such application shall demonstrate how the grant funds will be used to improve postbaccalaureate education opportunities for Asian American and Native American Pacific Islander and low-income students.

(f) INTERACTION WITH OTHER GRANT PROGRAMS.—No institution that is eligible for and receives an award under section 326, 512, 723, or 724, or subpart 6 of this part for a fiscal year shall be eligible to apply for a grant, or receive grant funds, under this subpart for the same fiscal year.

(g) ELIGIBLE INSTITUTION DEFINED.—For the purposes of this subpart, an "eligible institution" means an institution of higher education that—

(1) is an Asian-American and Native American Pacific Islander-serving institution (as defined in section 320); and

(2) offers a postbaccalaureate certificate or postbaccalaureate degree granting program.

SEC. 727. USE OF FUNDS.

(a) IN GENERAL.—

(1) ACTIVITIES.—An eligible institution that receives a grant under this subpart shall use such funds to carry out—

(A) one or more of the activities described in subsection (b); or

(B) one or more of the activities described in subsection (c).

(2) REQUIREMENT.—An eligible institution that receives a grant under this subpart may not use such funds for activities under both subsections (b) and (c).

(b) GRADUATE PROGRAM ACTIVITIES.—Grants awarded under this subpart may be used for one or more of the following activities promoting postbaccaulaureate opportunities for Asian American and Native American Pacific Islander students:

(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

(2) Construction, maintenance, renovation, and improvement of classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

(4) Support for low-income postbaccalaureate students including outreach, academic support services and mentoring, scholarships, fellowships, and other financial assistance to permit the enrollment of such students in postbaccalaureate certificate and postbaccalaureate degree granting programs.

(5) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

(6) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and postbaccalaureate degree offerings.

(7) Other activities proposed in the application submitted pursuant to section 726 that—

(A) contribute to carrying out the purposes of this subpart; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

(c) FACULTY DEVELOPMENT ACTIVITIES.—Grants awarded under this subpart may be used for one or more of the following activities for faculty development:

(1) Support of faculty exchanges, faculty development, faculty research, curriculum development, and academic instruction.

(2) Financial support to graduate students planning to pursue academic careers who desire to become faculty at Asian American and Native American Pacific Islander-serving institutions.

(3) Career services in preparing for an academic career and identifying opportunities.

(4) Developing partnerships between Asian American and Native American Pacific Islander-serving institutions to facilitate connections between graduate students and hiring institutions.

(5) Faculty recruitment efforts with an emphasis on graduates from Asian American and Native American Pacific Islander-serving institutions and other minority-serving institutions.

(6) Recruitment and retention incentives to allow Asian American and Native American Pacific Islander-serving institutions

to make competitive offers to potential faculty, including use of funds for student loan repayment.

(7) Research support for early career faculty.

(8) Other activities proposed in the application submitted pursuant to section 726 that—

(A) contribute to carrying out the purposes of this subpart; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

SEC. 728. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this subpart $30,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

Subpart 6—Graduate Opportunities at Tribal Colleges and Universities

SEC. 729. GRANT PROGRAM ESTABLISHED.

(a) IN GENERAL.—Subject to the availability of funds appropriated to carry out this subpart, the Secretary shall award grants, on a competitive basis, to eligible institutions to enable the eligible institutions to carry out the activities described in section 730.

(b) AWARD OF GRANT FUNDS.—Of the funds appropriated to carry out this subpart for a fiscal year, the Secretary—

(1) shall reserve—

(A) not less than one-third of such funds to award grants to carry out the activities described in section 730(b); and

(B) not less than one-third of such funds to award grants to carry out the activities described in section 730(c); and

(2) may use the amount of funds remaining after the reservation required under paragraph (1) to award grants to carry out the activities described in subsections (b) and (c) of section 730.

(c) DURATION.—Grants under this part shall be awarded for a period not to exceed five years.

(d) LIMITATION ON NUMBER OF AWARDS.—The Secretary may not award more than one grant under this subpart in any fiscal year to any Tribal College and University.

(e) APPLICATION.—Any eligible institution may apply for a grant under this subpart by submitting an application to the Secretary at such time and in such manner as the Secretary may require. Such application shall demonstrate how the grant funds will be used to improve postbaccalaureate education opportunities for American Indian and Alaska Native students.

(f) INTERACTION WITH OTHER GRANT PROGRAMS.—No institution that is eligible for and receives an award under section 326, 512, 723, or 724, or subpart 5 of this part for a fiscal year shall be eligible to apply for a grant, or receive grant funds, under this section for the same fiscal year.

(g) ELIGIBLE INSTITUTION DEFINED.—For the purposes of this subpart, an "eligible institution" means an institution of higher education that—

(1) is a Tribal College or University (as defined in section 316); and

(2) offers a postbaccalaureate certificate or postbaccalaureate degree granting program.

SEC. 730. USE OF FUNDS.

(a) IN GENERAL.—

(1) ACTIVITIES.—An eligible institution that receives a grant under this subpart shall use such funds to carry out—

(A) one or more of the activities described in subsection (b); or

(B) one or more of the activities described in subsection (c).

(2) REQUIREMENT.—An eligible institution that receives a grant under this subpart may not use such funds for activities under both subsections (b) and (c).

(b) GRADUATE PROGRAM ACTIVITIES.—Grants awarded under this subpart may be used for one or more of the following activities promoting postbaccalaureate opportunities for American Indian and Alaska Native students:

(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

(2) Construction, maintenance, renovation, and improvement of classrooms, libraries, laboratories, and other instructional facilities, including purchase or rental of telecommunications technology equipment or services.

(3) Purchase of library books, periodicals, technical and other scientific journals, microfilm, microfiche, and other educational materials, including telecommunications program materials.

(4) Support for American Indian and Alaska Native postbaccalaureate students including outreach, academic support services and mentoring, scholarships, fellowships, and other financial assistance to permit the enrollment of such students in postbaccalaureate certificate and postbaccalaureate degree granting programs.

(5) Creating or improving facilities for Internet or other distance education technologies, including purchase or rental of telecommunications technology equipment or services.

(6) Collaboration with other institutions of higher education to expand postbaccalaureate certificate and postbaccalaureate degree offerings.

(7) Other activities proposed in the application submitted pursuant to section 729 that—

(A) contribute to carrying out the purposes of this subpart; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

(c) FACULTY DEVELOPMENT ACTIVITIES.—Grants awarded under this subpart may be used for one or more of the following activities for faculty development:

(1) Support of faculty exchanges, faculty development, faculty research, curriculum development, and academic instruction.

(2) Financial support to graduate students planning to pursue academic careers who desire to become faculty at Tribal Colleges and Universities.

(3) Career services in preparing for an academic career and identifying opportunities.

(4) Developing partnerships between Tribal Colleges and Universities to facilitate connections between graduate students and hiring institutions.

(5) Faculty recruitment efforts with an emphasis on graduates from Tribal Colleges and Universities and other minority-serving institutions.

(6) Recruitment and retention incentives to allow Tribal Colleges and Universities to make competitive offers to potential faculty, including use of funds for student loan repayment.

(7) Research support for early career faculty.

(8) Other activities proposed in the application submitted pursuant to section 729 that—

(A) contribute to carrying out the purposes of this subpart; and

(B) are approved by the Secretary as part of the review and acceptance of such application.

SEC. 731. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this subpart $5,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

Subpart [5] 7—General Provisions

SEC. [731.] *735.* ADMINISTRATIVE PROVISIONS FOR SUBPARTS [1 THROUGH 4] *1 THROUGH 6*.

(a) COORDINATED ADMINISTRATION.—In carrying out the purpose described in section 700(1), the Secretary shall provide for coordinated administration and regulation of graduate programs assisted under subparts [1 through 4] *1 through 6* with other Federal programs providing assistance for graduate education in order to minimize duplication and improve efficiency to ensure that the programs are carried out in a manner most compatible with academic practices and with the standard timetables for applications for, and notifications of acceptance to, graduate programs.

(b) HIRING AUTHORITY.—For purposes of carrying out subparts [1 through 4] *1 through 6*, the Secretary shall appoint, without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, such administrative and technical employees, with the appropriate educational background, as shall be needed to assist in the administration of such parts. The employees shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(c) USE FOR RELIGIOUS PURPOSES PROHIBITED.—No institutional payment or allowance under section 703(b) or 715(a) shall be paid to a school or department of divinity as a result of the award of a fellowship under subpart 1 or 2, respectively, to an individual who is studying for a religious vocation.

(d) EVALUATION.—The Secretary shall evaluate the success of assistance provided to individuals under [subpart 1, 2, 3, or 4] *subparts 1 through 6* with respect to graduating from their degree programs, and placement in faculty and professional positions.

PART B—FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION

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SEC. 745. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year [2009] *2021* and each of the five succeeding fiscal years.

PART C—FUNDING INNOVATIONS AT MINORITY-SERVING INSTITUTIONS

SEC. 751. PURPOSE.

It is the purpose of this part to assist minority-serving institutions in planning, developing, implementing, validating, and replicating innovations that provide solutions to persistent challenges in enabling economically and educationally disadvantaged students to enroll in, persist through, and graduate from college, including innovations designed to—

(1) increase the successful recruitment at minority-serving institutions of—

(A) students from low-income families of all races;

(B) students who begin college when over 21 years of age; and

(C) military-affiliated students;

(2) increase the rate at which students enrolled in minority-serving institutions make adequate or accelerated progress toward graduation, and successfully graduate from such institutions;

(3) increase the number of students pursuing and completing degrees in science, technology, engineering, and mathematics at minority-serving institutions and pursuing graduate work in such fields, including through the establishment of innovation ecosystems on the campuses of such institutions;

(4) redesign course offerings and other instructional strategies at minority-serving institutions to improve student outcomes and reduce postsecondary education costs;

(5) enhance the quality and number of traditional and alternative route teacher preparation programs offered by minority-serving institutions;

(6) expand the effective use of technology at minority-serving institutions; and

(7) strengthen postgraduate employment outcomes for students enrolled in minority-serving institutions.

SEC. 752. DEFINITION.

In this part:

(1) ELIGIBLE ENTITY.—The term "eligible entity" means—

(A) a minority-serving institution; or

(B) a consortium of a minority-serving institution and—

(i) one or more other institutions of higher education;

(ii) a private nonprofit organization;

(iii) a local educational agency;

(iv) a high school that—

(I) receives funding under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.); and

(II) has been identified for comprehensive support and improvement under section 1111(c)(4)(D)(i) of such Act (20 U.S.C. 6311(c)(4)(D)(i)); or

(v) any combination of the entities described in clauses (i) through (iv).

(2) MINORITY SERVING INSTITUTION.—The term "minority serving institution" means an institution of higher education described in paragraph (1), (2), (3), (4), (5), (6), or (7) of section 371(a).

SEC. 753. GRANTS AUTHORIZED.

(a) IN GENERAL.—Except as provided in subsection (b)(2), with the funds made available for this part under section 757, the Secretary shall make planning and implementation grants, as described in subsections (b) and (c), to eligible entities to enable such entities to plan for the implementation of, in the case of a planning grant, and implement, in the case of an implementation grant, innovations described in section 751 and to support the planning, development, implementation, validation, scaling up, and replication of such innovations.

(b) PLANNING GRANTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), with the funds made available under section 757 for a fiscal year, the Secretary shall use not more than 5 percent or $42,500,000 (whichever is greater) to award planning grants to enable eligible entities to plan, design, and develop innovations described in section 751.

(2) TYPE OF INSTITUTION.—Planning grants shall be awarded to minority-serving institutions in proportion to the allocations made in subparagraphs (A) through (G) of section 757(1).

(3) ORDER OF CONSIDERATION.—Subject to paragraph (2) and the priority described in section 755(a), planning grants shall be awarded to eligible entities satisfying the application requirements under section 754 in the order in which received by the Secretary.

(4) DURATION.—A planning grant authorized under this subsection shall be for the duration of 1 year.

(5) GRANT AMOUNTS.—Each planning grant authorized under this subsection shall be in an amount that is not more than $150,000.

(c) IMPLEMENTATION GRANTS.—

(1) IN GENERAL.—With funds made available for this part under section 757, the Secretary shall award implementation grants on a competitive basis to enable eligible entities to further develop, pilot, field-test, implement, document, validate, and, as applicable, scale up and replicate, innovations described in section 751.

(2) DURATION.—An implementation grant authorized under this subsection shall be for a duration of 5 years, except that the Secretary may not continue providing funds under the grant after year 3 of the grant period unless the eligible entity demonstrates that the entity has achieved satisfactory progress to-

ward carrying out the educational innovations, activities, and projects described in their application pursuant to section 754(d), as determined by the Secretary.

(3) GRANT AMOUNT.—Each implementation grant authorized under this subsection shall be in an amount sufficient to enable the eligible entity to achieve the purposes of its proposed activities and projects, but shall not exceed $10,000,000.

(d) SPECIAL RULES FOR CONSORTIUMS.—

(1) FISCAL AGENT.—

(A) IN GENERAL.—In the case of an eligible entity applying for a grant under this part as a consortium, each member of the consortium shall agree on 1 such member of such eligibility entity to serve as a fiscal agent of such entity.

(B) RESPONSIBILITIES.—The fiscal agent of an eligible entity, as described in subparagraph (A), shall act on behalf of such entity in performing the financial duties of such entity under this part.

(C) WRITTEN AGREEMENT.—The agreement described in subparagraph (A) shall be in writing and signed by each member of the consortium.

(2) SUBGRANTS.—In the case of an eligible entity applying for a grant under this part as a consortium, the fiscal agent for such entity (as described in paragraph (1)) may use the funds provided by the grant to make subgrants to members of the consortium.

SEC. 754. APPLICATIONS.

(a) IN GENERAL.—An eligible entity desiring to receive a grant under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(b) CONSORTIUM ENTITIES.—An application under this section which is submitted by an eligible entity applying as a consortium shall include the written agreement described in section 753(d)(1)(C).

(c) PLANNING GRANTS.—The Secretary shall ensure that the application requirements under this section for a planning grant authorized under section 753(b) include, in addition to the requirement in subsection (b) (if applicable), only those minimal requirements that are necessary to review the proposed process of an eligible entity for the planning, design, and development of one or more of the innovations described in section 751.

(d) IMPLEMENTATION GRANTS.—An application under this section for an innovation grant authorized under section 753(c) shall include, in addition to the requirement under subsection (b) (if applicable), descriptions of—

(1) each innovation described in section 751 that the eligible entity would implement using the funds made available by such grant, including, as applicable, a description of the evidence base supporting such innovation;

(2) how each such innovation will address the purpose of this part, as described in section 751, and how each such innovation will further the institutional or organizational mission of the minority-serving institution that is part of the eligible entity;

(3) the specific activities that the eligible entity will carry out with funds made available by such grant, including, in the case

of an eligible entity applying as a consortium, a description of the activities that each member of the consortium will carry out and a description of the capacity of each such member to carry out those activities;

(4) the performance measures that the eligible entity will use to track its progress in implementing each such innovation, including a description of how the entity will implement those performance measures and use information on performance to make adjustments and improvements to its implementation activities, as needed, over the course of the grant period;

(5) how the eligible entity will provide for an independent evaluation of the implementation and impact of the projects funded by such grant, including—

(A) an interim report (evaluating the progress made in the first 3 years of the grant); and

(B) a final report (completed at the end of the grant period); and

(6) the plan of the eligible entity for continuing each proposed innovation after the grant has ended.

SEC. 755. PRIORITY.

(a) PLANNING GRANTS.—In awarding planning grants under this part, the Secretary shall give priority to applications that were submitted with respect to the prior award year, but did not receive a planning grant due to insufficient funds.

(b) IMPLEMENTATION GRANTS.—In awarding implementation grants under this part, the Secretary shall give—

(1) first priority to applications for programs at minority-serving institutions that have not previously received an implementation grant under this part; and

(2) second priority to applications that address issues of major national need, including—

(A) innovative partnerships between minority-serving institutions and local educational agencies that are designed to increase the enrollment of historically underrepresented populations in higher education;

(B) educational innovations designed to increase the rate of postsecondary degree attainment for populations within minority groups that have low relative rates of postsecondary degree attainment;

(C) educational innovations that support programs and initiatives at minority-serving institutions to enhance undergraduate and graduate programs in science, technology, engineering, and mathematics;

(D) innovative partnerships between minority-serving institutions and other organizations to establish innovation ecosystems in support of economic development, entrepreneurship, and the commercialization of technology supported by research funded through this grant;

(E) educational innovations that enhance the quality and number of traditional and alternative route teacher preparation programs at minority-serving institutions to enable teachers to be highly effective in the classroom and to enable such programs to meet the demands for diversity and accountability in teacher education; and

(F) educational innovations that strengthen postgraduate employment outcomes of minority-serving institutions through the implementation of comprehensive and strategic career pathways for students.

SEC. 756. USES OF FUNDS.

(a) PLANNING GRANTS.—An eligible entity receiving a planning grant under section 753(b) shall use funds made available by such grant to conduct an institutional planning process that includes—

(1) an assessment of the needs of the minority-serving institution;

(2) research on educational innovations described in section 751 that will meet the needs described in paragraph (1);

(3) the selection of one or more such educational innovations for implementation;

(4) an assessment of the capacity of the minority-serving institution to implement such educational innovation; and

(5) activities to further develop such capacity.

(b) IMPLEMENTATION GRANTS.—An eligible entity receiving an implementation grant under section 753(c) shall use the funds made available by such grant to further develop, pilot, field-test, implement, document, validate, and, as applicable, scale up, and replicate innovations described in section 751, such as innovations designed to—

(1) create a college-bound culture at secondary schools (including efforts targeting high-achieving students from low-income families) through activities undertaken in partnership with local educational agencies and nonprofit organizations, such as—

(A) activities that promote postsecondary school awareness, including recruitment, organizing campus visits, and providing assistance with entrance and financial aid application completion; and

(B) postsecondary school preparation efforts such as—

(i) aligning high school coursework and high school graduation requirements with the requirements for entrance into credit-bearing coursework at 4-year institutions of higher education;

(ii) early identification and support for students at risk of not graduating from high school, or at risk of requiring remediation upon enrolling in postsecondary education; and

(iii) dual-enrollment programs;

(2) improve student achievement, such as through activities designed to increase the number or percentage of students who successfully complete developmental or remedial coursework (which may be accomplished through the evidence-based redesign of such coursework) and pursue and succeed in postsecondary studies;

(3) increase the number of minority males who attain a postsecondary degree, such as through evidence-based interventions that integrate academic advising with social and cultural supports and assistance with job placement;

(4) increase the number or percentage of students who make satisfactory or accelerated progress toward graduation from postsecondary school and the number or percentage who grad-

uate from postsecondary school on time, such as through the provision of comprehensive academic and nonacademic student support services.

(5) activities to promote a positive climate on campuses of institutions of higher education and to increase the sense of belonging among eligible students, including through first year support programs such as mentoring and peer networks and advisories;

(6) increase the number or percentage of students, particularly students who are members of historically underrepresented populations, who enroll in science, technology, engineering, and mathematics courses, graduate with degrees in such fields, and pursue advanced studies in such fields;

(7) develop partnerships between minority-serving institutions and other organizations to establish innovation ecosystems in support of economic development, entrepreneurship, and the commercialization of technology supported by funded research;

(8) implement evidence-based improvements to courses, particularly high-enrollment courses, to improve student outcomes and reduce education costs for students, including costs of remedial courses;

(9) enhance the quality and number of traditional and alternative route teacher and school leader preparation programs at minority-serving institutions that enable graduates to be profession-ready and highly effective in the classroom and to enable such programs to meet the demands for diversity and accountability in educator preparation;

(10) expand the effective use of technology in higher education, such as through collaboration between institutions on implementing technology-enabled delivery models (including hybrid models) or through the use of open educational resources and digital content;

(11) strengthen postgraduate employment outcomes through the implementation of comprehensive and strategic career pathways for students, which may include aligning curricula with workforce needs, experiential learning, integration of career services, and developing partnerships with employers and business organizations; and

(12) provide a continuum of solutions by incorporating activities that address multiple objectives described in paragraphs (1) through (11).

SEC. 757. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out activities under this part $850,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years, to be allocated as follows:

(1) for institutions described in paragraph (1) of section 371(a), $224,987,083;

(2) for institutions described in paragraph (2) of section 371(a), $214,446,428;

(3) for institutions described in paragraph (3) of section 371(a), $78,056,743;

(4) for institutions described in paragraph (4) of section 371(a), $20,662,079;

(5) for institutions described in paragraph (5) of section 371(a), $130,859,834;

(6) for institutions described in paragraph (6) of section 371(a), $122,305,533; and

(7) for institutions described in paragraph (7) of section 371(a), $58,682,300.

PART D—PROGRAMS TO PROVIDE STUDENTS WITH DISABILITIES WITH A QUALITY HIGHER EDUCATION

[SEC. 760. DEFINITIONS

[In this part:

[(1) COMPREHENSIVE TRANSITION AND POSTSECONDARY PROGRAM FOR STUDENTS WITH INTELLECTUAL DISABILITIES.—The term "comprehensive transition and postsecondary program for students with intellectual disabilities" means a degree, certificate, or nondegree program that meets each of the following:

[(A) Is offered by an institution of higher education.

[(B) Is designed to support students with intellectual disabilities who are seeking to continue academic, career and technical, and independent living instruction at an institution of higher education in order to prepare for gainful employment.

[(C) Includes an advising and curriculum structure.

[(D) Requires students with intellectual disabilities to participate on not less than a half-time basis as determined by the institution, with such participation focusing on academic components, and occurring through 1 or more of the following activities:

[(i) Regular enrollment in credit-bearing courses with nondisabled students offered by the institution.

[(ii) Auditing or participating in courses with nondisabled students offered by the institution for which the student does not receive regular academic credit.

[(iii) Enrollment in noncredit-bearing, nondegree courses with nondisabled students.

[(iv) Participation in internships or work-based training in settings with nondisabled individuals.

[(E) Requires students with intellectual disabilities to be socially and academically integrated with non-disabled students to the maximum extent possible.

[(2) STUDENT WITH AN INTELLECTUAL DISABILITY.—The term "student with an intellectual disability" means a student—

[(A) with a cognitive impairment, characterized by significant limitations in—

[(i) intellectual and cognitive functioning; and

[(ii) adaptive behavior as expressed in conceptual, social, and practical adaptive skills; and

[(B) who is currently, or was formerly, eligible for a free appropriate public education under the Individuals with Disabilities Education Act.]

SEC. 760. DEFINITIONS.

In this part:

(1) COMPREHENSIVE TRANSITION AND POSTSECONDARY PROGRAM FOR STUDENTS WITH INTELLECTUAL DISABILITIES.—The

term "comprehensive transition and postsecondary program for students with intellectual disabilities" means a program that leads to a degree, certificate, or recognized postsecondary credential issued by an institution of higher education that meets each of the following requirements:

(A) Is offered by an institution of higher education.

(B) Is designed to support students with intellectual disabilities who are seeking to continue academic, career and technical, and independent living instruction at an institution of higher education in order to prepare for gainful employment and competitive integrated employment.

(C) Includes student advising and a program of study.

(D) Requires students with intellectual disabilities to participate on not less than a half-time basis as determined by the institution, with such participation focusing on academic and career development components and occurring through one or more of the following activities:

(i) Regular enrollment in credit-bearing courses with students without disabilities that are offered by the institution.

(ii) Auditing or participating in courses with students without disabilities that are offered by the institution and for which the student does not receive regular academic credit.

(iii) Enrollment in noncredit-bearing, nondegree courses with students without disabilities.

(iv) Participation in internships, registered apprenticeships, or work-based experiences in competitive integrated settings for a semester, or multiple semesters.

(E) Requires students with intellectual disabilities to be socially and academically integrated with students without disabilities to the maximum extent practicable.

(F) Does not require the work components (ii) to occur each semester.

(2) DISABILITY.—The term "disability" has the meaning given such term in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102).

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term in section 101.

(4) OFFICE OF ACCESSIBILITY.—The term "Office of Accessibility" has the meaning given to the office of disability services of the institution or equivalent office.

(5) RECOGNIZED POSTSECONDARY CREDENTIAL.—The term "recognized postsecondary credential" has the meaning given the term in section 101 of the Workforce Innovation and Opportunity Act.

(6) STUDENT WITH AN INTELLECTUAL DISABILITY.—The term "student with an intellectual disability" means a student—

(A) with a cognitive impairment, characterized by significant limitations in—

(i) intellectual and cognitive functioning; and

(ii) adaptive behavior as expressed in conceptual, social, and practical adaptive skills;

(B) who is currently, or was formerly, eligible for a free appropriate public education under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.); and

(C) or, in the case of a student who has not currently or formerly been found eligible for a free appropriate education under the Individuals with Disabilities Education Act, or a student who has not previously been found eligible as a student with an intellectual disability under IDEA, documentation establishing that the student has an intellectual disability, such as—

(i) a documented comprehensive and individualized psycho-educational evaluation and diagnosis of an intellectual disability by a psychologist or other qualified professional; or

(ii) a record of the disability from a local or State educational agency, or government agency, such as the Social Security Administration or a vocational rehabilitation agency, that identifies the intellectual disability.

Subpart 1—Demonstration Projects to Support Postsecondary Faculty, Staff, and Administrators in Educating Students with Disabilities

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[SEC. 762. GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS AUTHORIZED.

[(a) COMPETITIVE GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS AUTHORIZED.—

[(1) IN GENERAL.—From amounts appropriated under section 765, the Secretary may award grants, contracts, and cooperative agreements, on a competitive basis, to institutions of higher education to enable the institutions to carry out the activities under subsection (b).

[(2) AWARDS FOR PROFESSIONAL DEVELOPMENT AND TECHNICAL ASSISTANCE.—Not less than two grants, contracts, cooperative agreements, or a combination of such awards shall be awarded to institutions of higher education that provide professional development and technical assistance in order for students with learning disabilities to receive a quality postsecondary education.

[(b) DURATION; ACTIVITIES.—

[(1) DURATION.—A grant, contract, or cooperative agreement under this subpart shall be awarded for a period of three years.

[(2) AUTHORIZED ACTIVITIES.—A grant, contract, or cooperative agreement awarded under this subpart shall be used to carry out one or more of the following activities:

[(A) TEACHING METHODS AND STRATEGIES.—The development of innovative, effective, and efficient teaching methods and strategies, consistent with the principles of universal design for learning, to provide postsecondary faculty, staff, and administrators with the skills and supports necessary to teach and meet the academic and pro-

grammatic needs of students with disabilities, in order to improve the retention of such students in, and the completion by such students of, postsecondary education. Such methods and strategies may include in-service training, professional development, customized and general technical assistance, workshops, summer institutes, distance learning, and training in the use of assistive and educational technology.

[(B) EFFECTIVE TRANSITION PRACTICES.—The development of innovative and effective teaching methods and strategies to provide postsecondary faculty, staff, and administrators with the skill and supports necessary to ensure the successful and smooth transition of students with disabilities from secondary school to postsecondary education.

[(C) SYNTHESIZING RESEARCH AND INFORMATION.—The synthesis of research and other information related to the provision of postsecondary educational services to students with disabilities, including data on the impact of a postsecondary education on subsequent employment of students with disabilities. Such research, information, and data shall be made publicly available and accessible.

[(D) DISTANCE LEARNING.—The development of innovative and effective teaching methods and strategies to provide postsecondary faculty, staff, and administrators with the ability to provide accessible distance education programs or classes that would enhance the access of students with disabilities to postsecondary education, including the use of accessible curricula and electronic communication for instruction and advising.

[(E) DISABILITY CAREER PATHWAYS.—

[(i) IN GENERAL.—The provision of information, training, and technical assistance to secondary and postsecondary faculty, staff, and administrators with respect to disability-related fields that would enable such faculty, staff, and administrators to—

[(I) encourage interest and participation in such fields, among students with disabilities and other students;

[(II) enhance awareness and understanding of such fields among students with disabilities and other students;

[(III) provide educational opportunities in such fields for students with disabilities and other students;

[(IV) teach practical skills related to such fields to students with disabilities and other students; and

[(V) offer work-based opportunities in such fields to students with disabilities and other students.

[(ii) DEVELOPMENT.—The training and support described in subclauses (I) through (V) of clause (i) may include offering students—

[(I) credit-bearing postsecondary-level coursework; and

[(II) career and educational counseling.

[(F) PROFESSIONAL DEVELOPMENT AND TRAINING SESSIONS.—The conduct of professional development and training sessions for postsecondary faculty, staff, and administrators from other institutions of higher education to enable such individuals to meet the educational needs of students with disabilities.

[(G) ACCESSIBILITY OF EDUCATION.—Making postsecondary education more accessible to students with disabilities through curriculum development, consistent with the principles of universal design for learning.

[(3) MANDATORY EVALUATION AND DISSEMINATION.—An institution of higher education awarded a grant, contract, or cooperative agreement under this subpart shall evaluate and disseminate to other institutions of higher education, the information obtained through the activities described in subparagraphs (A) through (G) of paragraph (2).

[(c) CONSIDERATIONS IN MAKING AWARDS.—In awarding grants, contracts, or cooperative agreements under this subpart, the Secretary shall consider the following:

[(1) GEOGRAPHIC DISTRIBUTION.—Providing an equitable geographic distribution of such awards.

[(2) RURAL AND URBAN AREAS.—Distributing such awards to urban and rural areas.

[(3) RANGE AND TYPE OF INSTITUTION.—Ensuring that the activities to be assisted are developed for a range of types and sizes of institutions of higher education.

[(4) PRIOR EXPERIENCE OR EXCEPTIONAL PROGRAMS.—Distributing the awards to institutions of higher education with demonstrated prior experience in, or exceptional programs for, meeting the postsecondary educational needs of students with disabilities.

[(d) REPORTS.—

[(1) INITIAL REPORT.—Not later than one year after the date of enactment of the Higher Education Opportunity Act, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report on all demonstration projects awarded grants under this part for any of fiscal years 1999 through 2008, including a review of the activities and program performance of such demonstration projects based on existing information as of the date of the report.

[(2) SUBSEQUENT REPORT.—Not later than three years after the date of the first award of a grant under this subpart after the date of enactment of the Higher Education Opportunity Act, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report that—

[(A) reviews the activities and program performance of the demonstration projects authorized under this subpart; and

[(B) provides guidance and recommendations on how effective projects can be replicated.

[SEC. 763. APPLICATIONS.

[Each institution of higher education desiring to receive a grant, contract, or cooperative agreement under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall include—

[(1) a description of the activities authorized under this subpart that the institution proposes to carry out, and how such institution plans to conduct such activities in order to further the purpose of this subpart;

[(2) a description of how the institution consulted with a broad range of people within the institution to develop activities for which assistance is sought;

[(3) a description of how the institution will coordinate and collaborate with the office that provides services to students with disabilities within the institution; and

[(4) a description of the extent to which the institution will work to replicate the research-based and best practices of institutions of higher education with demonstrated effectiveness in serving students with disabilities.]

SEC. 762. GRANTS AUTHORIZED.

(a) COMPETITIVE GRANTS AUTHORIZED TO SUPPORT POSTSECONDARY FACULTY, STAFF, AND ADMINISTRATORS IN PROVIDING AN ACCESSIBLE EDUCATION.—

(1) IN GENERAL.—From amounts appropriated under section 765C, the Secretary shall award grants, on a competitive basis, to institutions of higher education to enable the institutions to carry out the activities under subsection (b).

(2) AWARDS FOR PROFESSIONAL DEVELOPMENT AND TECHNICAL ASSISTANCE.—Not less than 5 grants shall be awarded to institutions of higher education that provide professional development and technical assistance in order to improve access to, and completion of, postsecondary education for students, including students with disabilities.

(b) DURATION; ACTIVITIES.—

(1) DURATION.—A grant under this section shall be awarded for a period of 5 years.

(2) AUTHORIZED ACTIVITIES.—A grant awarded under this section shall be used to carry out one or more of the following activities:

(A) TEACHING METHODS AND STRATEGIES.—The development and implementation of training to provide innovative, effective, and evidence-based teaching methods and strategies, consistent with the principles of universal design for learning, to provide postsecondary faculty, staff, and administrators with the skills and supports necessary to teach and meet the academic and programmatic needs of students (including students with disabilities) in order to improve the retention of such students in, and the completion by such students of, postsecondary education. Such methods and strategies may include in-service training, professional development, customized and general technical assistance, workshops, summer institutes, distance learning, and training in the use of assistive and educational technology.

(B) IMPLEMENTING ACCOMMODATIONS.—The development and implementation of training to provide postsecondary faculty, staff, and administrators methods and strategies of providing appropriate accommodations consistent with the principles of universal design for learning for students with disabilities, including descriptions of legal obligations of the institution of higher education to provide such accommodations.

(C) EFFECTIVE TRANSITION PRACTICES.—The development and implementation of innovative, effective, and evidence-based teaching methods and strategies to provide postsecondary faculty, staff, and administrators with the skills and supports necessary to ensure the successful and smooth transition of students with disabilities from secondary school to postsecondary education. The teaching methods and strategies may include supporting students in the development of self-advocacy skills to improve transition to, and completion of, postsecondary education.

(D) DISTANCE LEARNING.—The development and implementation of training to provide innovative, effective, and evidence-based teaching methods and strategies to enable postsecondary faculty, staff, and administrators to provide accessible distance education programs or classes that would enhance the access of students (including students with disabilities) to postsecondary education, including the use of accessible curricula and electronic communication for instruction and advising that meet the requirements of section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

(E) CAREER PATHWAY GUIDANCE.—The development and implementation of effective and evidence-based teaching methods and strategies to provide postsecondary faculty, staff, and administrators with the ability to advise students with disabilities with respect to their chosen career pathway, which shall include at least one of the following:

(i) Supporting internships, apprenticeships, or work-based learning opportunities.

(ii) Counseling on coursework to meet the recognized educational credential or recognized postsecondary credential appropriate for the field chosen.

(iii) Developing self-advocacy skills to advocate for appropriate accommodations once in the workplace.

(iv) Support with selecting a career pathway that leads to competitive, integrated employment.

(3) MANDATORY EVALUATION AND DISSEMINATION.—An institution of higher education awarded a grant under this section shall evaluate and disseminate to other institutions of higher education the information obtained through the activities described in subparagraphs (A) through (E) of paragraph (2).

(c) CONSIDERATIONS IN MAKING AWARDS.—In awarding grants, contracts, or cooperative agreements under this section, the Secretary shall consider the following:

(1) GEOGRAPHIC DISTRIBUTION.—Providing an equitable geographic distribution of such awards.

(2) RURAL AND URBAN AREAS.—Distributing such awards to urban and rural areas.

(3) RANGE AND TYPE OF INSTITUTION.—Ensuring that the activities to be assisted are developed for a range of types and sizes of institutions of higher education.

(d) REPORTS.—

(1) INITIAL REPORT.—Not later than one year after the date of enactment of the College Affordability Act, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report on all projects awarded grants under this part, including a review of the activities and program performance of such projects based on existing information as of the date of the report.

(2) SUBSEQUENT REPORT.—Not later than five years after the date of the first award of a grant under this section after the date of enactment of the College Affordability Act, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report that—

(A) reviews the activities and program performance of the projects authorized under subsection (b); and

(B) provides guidance and recommendations on how effective projects can be replicated.

SEC. 763. APPLICATIONS.

Each institution of higher education desiring to receive a grant under section 762 shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall include—

(1) a description of the activities authorized under section 762(b) that the institution proposes to carry out, and how such institution plans to conduct such activities in order to further the purposes of this subpart;

(2) a description of how the institution consulted with a broad range of people including students with disabilities and individuals with expertise in disability supports or special education within the institution to develop activities for which assistance is sought;

(3) a description of how the institution will coordinate and collaborate with the office of accessibility; and

(4) a description of the extent to which the institution will work to replicate the research-based and best practices of institutions of higher education with demonstrated effectiveness in serving students with disabilities.

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SEC. 765A. OFFICE OF ACCESSIBILITY.

(a) ESTABLISHMENT.—Each institution of higher education shall establish an office of accessibility to develop and implement policies to support students who enter postsecondary education with disabilities and students who acquire a disability while enrolled in an institution of higher education.

(b) DUTIES.—Each office of accessibility shall—

(1) inform students, during student orientation, about services provided at the institution of higher education, and continually update such information through the accessibility office's

website and other communications to improve accessibility of such services;

(2) provide information to students regarding accommodations and modifications provided by the institution of higher education with respect to internships, practicums, work-based learning, apprenticeships, or other work-related environments that—

(A) the student may engage in through courses; or

(B) are necessary for completion of a recognized educational credential or recognized postsecondary credential;

(3) provide information to students regarding their legal rights under the Americans with Disabilities Act (42 U.S.C. 12101 et seq.) and section 504 of the Rehabilitation Act (29 U.S.C. 794); and

(4) in order to provide appropriate accommodations to students with disabilities, carry out the following:

(A) Adopt policies that, at a minimum, make any of the following documentation submitted by an individual sufficient to establish that such individual is an individual with a disability:

(i) Documentation that the individual has had an individualized education program (in this clause referred to as an "IEP") in accordance with section 614(d) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)), including an IEP that may not be current on the date of the determination that the individual has a disability. The office of accessibility may ask for additional documentation from an individual who had an IEP but who was subsequently evaluated and determined to be ineligible for services under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), including an individual determined to be ineligible during elementary school.

(ii) Documentation describing services or accommodations provided to the individual pursuant to section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (commonly referred to as a "Section 504 plan").

(iii) A plan or record of service for the individual from a private school, a local educational agency, a State educational agency, or an institution of higher education provided in accordance with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

(iv) A record or evaluation from a relevant licensed professional finding that the individual has a disability.

(v) A plan or record of disability from another institution of higher education.

(vi) Documentation of a disability due to service in the uniformed services, as defined in section 484C(a).

(B) Adopt policies that are transparent and explicit regarding the process by which the institution determines eligibility for accommodations.

(C) Disseminate the information described in subparagraph (B) to students, parents, and faculty—

(i) in an accessible format;

(ii) during student orientation; and

(iii) by making such information readily available on a public website of the institution.

(D) Provide accommodations to students with mental health disabilities, and students with disabilities associated with pregnancy.

(E) Provide outreach and consult with students in inclusive higher education.

SEC. 765B. COMPETITIVE GRANT FOR INNOVATION AND ACCESSIBILITY.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—From amounts appropriated under section 765C, the Secretary may award grants on a competitive basis to institutions of higher education to enable the institutions to carry out the activities described under subsection (c).

(2) DURATION.—A grant under this section shall be awarded for a period of 5 years.

(3) CONSIDERATION IN MAKING AWARDS.—In awarding grants under this section, the Secretary shall consider the following:

(A) Providing an equitable geographic distribution of such awards.

(B) Ensuring that the activities to be assisted are developed for a range of types and sizes of institutions of higher education.

(b) APPLICATION.—Each institution of higher education desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall include—

(1) a description of how the institution will carry out the activities under subsection (c);

(2) a description of the consultation the institution has had with a broad range of people within the institution, including students with disabilities and individuals with expertise in disability supports or special education, in developing the information under paragraph (1);

(3) a plan for the sustainability of the program after the end of the grant period; and

(4) a written business plan for revenue and expenditures to be provided to the Department under subsection (d).

(c) ACTIVITIES.—A grant awarded under this section shall be used to—

(1) develop and implement across the institution of higher education, a universal design for learning framework for course design and instructional materials to improve campus-wide accessibility to instruction, materials, and the learning environment; or

(2) develop or improve distance education courses consistent with the principles of universal design for learning to improve accessibility of instruction and materials.

(d) REPORTS.—

(1) GRANT RECIPIENT REPORTS.—An institution of higher education awarded a grant under this section shall evaluate and disseminate to other institutions of higher education, the infor-

mation obtained through the activities described in subsection (c).

(2) INITIAL REPORT BY SECRETARY.—Not later than one year after the date of the enactment of this section, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report on all projects awarded grants under this section, including a review of the activities and program performance of such projects based on existing information as of the date of the report.

(3) FINAL REPORT BY SECRETARY.—Not later than 6 years after the date of the first award of a grant under this section, the Secretary shall prepare and submit to the authorizing committees, and make available to the public, a report that—

(A) reviews the activities and program performance of the projects authorized under this section; and

(B) provides guidance and recommendations on how effective projects can be replicated.

SEC. [765.] *765C.* AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year [2009] *2021* and each of the five succeeding fiscal years.

Subpart 2—Transition Programs for Students with Intellectual Disabilities Into Higher Education

[SEC. 766. PURPOSE.

[It is the purpose of this subpart to support model demonstration programs that promote the successful transition of students with intellectual disabilities into higher education.

[SEC. 767. MODEL COMPREHENSIVE TRANSITION AND POSTSECONDARY PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES.

[(a) GRANTS AUTHORIZED.—

[(1) IN GENERAL.—From amounts appropriated under section 769(a), the Secretary shall annually award grants, on a competitive basis, to institutions of higher education (or consortia of institutions of higher education), to enable the institutions or consortia to create or expand high quality, inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities.

[(2) ADMINISTRATION.—The program under this section shall be administered by the office in the Department that administers other postsecondary education programs.

[(3) DURATION OF GRANTS.—A grant under this section shall be awarded for a period of 5 years.

[(b) APPLICATION.—An institution of higher education (or a consortium) desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

[(c) AWARD BASIS.—In awarding grants under this section, the Secretary shall—

[(1) provide for an equitable geographic distribution of such grants;

[(2) provide grant funds for model comprehensive transition and postsecondary programs for students with intellectual disabilities that will serve areas that are underserved by programs of this type; and

[(3) give preference to applications submitted under subsection (b) that agree to incorporate into the model comprehensive transition and postsecondary program for students with intellectual disabilities carried out under the grant one or more of the following elements:

[(A) The formation of a partnership with any relevant agency serving students with intellectual disabilities, such as a vocational rehabilitation agency.

[(B) In the case of an institution of higher education that provides institutionally owned or operated housing for students attending the institution, the integration of students with intellectual disabilities into the housing offered to nondisabled students.

[(C) The involvement of students attending the institution of higher education who are studying special education, general education, vocational rehabilitation, assistive technology, or related fields in the model program.

[(d) USE OF FUNDS.—An institution of higher education (or consortium) receiving a grant under this section shall use the grant funds to establish a model comprehensive transition and postsecondary program for students with intellectual disabilities that—

[(1) serves students with intellectual disabilities;

[(2) provides individual supports and services for the academic and social inclusion of students with intellectual disabilities in academic courses, extracurricular activities, and other aspects of the institution of higher education's regular postsecondary program;

[(3) with respect to the students with intellectual disabilities participating in the model program, provides a focus on—

[(A) academic enrichment;

[(B) socialization;

[(C) independent living skills, including self-advocacy skills; and

[(D) integrated work experiences and career skills that lead to gainful employment;

[(4) integrates person-centered planning in the development of the course of study for each student with an intellectual disability participating in the model program;

[(5) participates with the coordinating center established under section 777(b) in the evaluation of the model program;

[(6) partners with one or more local educational agencies to support students with intellectual disabilities participating in the model program who are still eligible for special education and related services under the Individuals with Disabilities Education Act, including the use of funds available under part B of such Act to support the participation of such students in the model program;

[(7) plans for the sustainability of the model program after the end of the grant period; and

[(8) creates and offers a meaningful credential for students with intellectual disabilities upon the completion of the model program.

[(e) MATCHING REQUIREMENT.—An institution of higher education (or consortium) that receives a grant under this section shall provide matching funds toward the cost of the model comprehensive transition and postsecondary program for students with intellectual disabilities carried out under the grant. Such matching funds may be provided in cash or in-kind, and shall be in an amount of not less than 25 percent of the amount of such costs.

[(f) REPORT.—Not later than five years after the date of the first grant awarded under this section, the Secretary shall prepare and disseminate a report to the authorizing committees and to the public that—

[(1) reviews the activities of the model comprehensive transition and postsecondary programs for students with intellectual disabilities funded under this section; and

[(2) provides guidance and recommendations on how effective model programs can be replicated.]

SEC. 766. PURPOSE.

It is the purpose of this subpart to support inclusive programs that promote the successful transition of students with intellectual disabilities into higher education and the earning of a recognized educational credential or recognized postsecondary credential issued by the institution of higher education.

SEC. 767. INCLUSIVE HIGHER EDUCATION PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES.

(a) GRANTS AUTHORIZED.—

(1) IN GENERAL.—From amounts appropriated under section 769(a), the Secretary shall annually award grants, on a competitive basis, to institutions of higher education (or consortia of three or more institutions of higher education), to enable such institutions or consortia to create or expand a comprehensive transition and postsecondary education program for students with intellectual disabilities.

(2) ELIGIBILITY AND APPROPRIATIONS LIMITS.—

(A) RELATION TO OTHER GRANTS.—An institution of higher education that received a grant under this section before the date of the enactment of the College Affordability Act may not receive an additional grant under this section unless—

(i) the institution receives a grant as part of a consortium of three or more institutions of higher education; or

(ii) the grant term of such preceding grant has ended.

(B) LIMITATION ON AMOUNTS.—

(i) INSTITUTION OF HIGHER EDUCATION.—A grant under this section made to an institution of higher education may not be in an amount greater than $300,000.

(ii) CONSORTIUM A grant under this section made to a consortia of institutions of higher education may not be in an amount greater than $500,000.

(3) ADMINISTRATION.—The program under this section shall be administered by the office in the Department that administers other postsecondary education programs in collaboration with the Office of Postsecondary Education and the Office of Special Education and Rehabilitative Services of the Department of Education.

(4) DURATION OF GRANTS.—A grant under this section shall be awarded for a period of 5 years.

(b) APPLICATION.—An institution of higher education or a consortium desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(c) AWARD BASIS.—In awarding grants under this section, the Secretary shall—

(1) provide for an equitable geographic distribution of such grants;

(2) to the extent possible, provide for an equitable distribution of such grants between 4–year institutions of higher education and 2–year institutions of higher education, including community colleges;

(3) provide grant funds for high-quality, inclusive higher education programs for students with intellectual disabilities, herein after referred to as inclusive higher education programs, that will serve areas that are underserved by programs of this type;

(4) in the case of an institution of higher education that provides institutionally owned or operated housing for students attending the institution, award grants only to such institutions that integrate students with intellectual disabilities into the housing offered to students without disabilities or to institutions that provide such integrated housing through providing supports to students directly or through partnerships with other organizations;

(5) provide grant funds to encourage involvement of students attending institutions of higher education in the fields of special education, general education, vocational rehabilitation, assistive technology, or related fields in the program;

(6) select applications that—

(A) demonstrate an existing comprehensive transition and postsecondary education program for students with intellectual disabilities that is title IV eligible; or

(B) agree to establish such a program; and

(7) give preference to applications submitted under subsection (b) that agree to incorporate into the inclusive higher education program for students with intellectual disabilities carried out under the grant one or more of the following elements:

(A) The formation of a partnership with any relevant agency serving students with intellectual disabilities, such as a vocational rehabilitation agency.

(B) Applications that represent geographically underserved States.

(d) USE OF FUNDS; REQUIREMENTS.—An institution of higher education or consortium receiving a grant under this section shall—

(1) use the grant funds to establish an inclusive higher education program for students with intellectual disabilities that—

(A) serves students with intellectual disabilities;

(B) provides individual supports and services for the academic and social inclusion of students with intellectual disabilities in academic courses, extracurricular activities, and other aspects of the regular postsecondary program, including access to health and mental health services, offices of accessibility, and graduation ceremonies;

(C) with respect to the students with intellectual disabilities participating in the program, provides a focus on—

(i) academic and career development;

(ii) socialization and inclusion with the general student population;

(iii) independent living skills, including self-advocacy skills; and

(iv) integrated work experiences and career skills that lead to competitive integrated employment;

(D) integrates person-centered planning in the development of the course of study for each student with an intellectual disability participating in the program;

(E) plans for the sustainability of the program after the end of the grant period, with a written business plan for revenue and expenditures to be provided to the Department by the end of year 3; and

(F) awards a degree, certificate, or recognized postsecondary credential for students with intellectual disabilities upon the completion of the program;

(2) in the case of an institution of higher education that provides institutionally owned or operated housing for students attending the institution or integrated housing through providing supports to students directly or through partnerships with other organizations, provide for the integration of students with intellectual disabilities into housing offered to students without disabilities;

(3) participate with the coordinating center established under section 777(b) in the evaluation of the program, including by regularly submitting data on experiences and outcomes of individual students participating in the program; and

(4) partner with one or more local educational agencies to support students with intellectual disabilities participating in the program who are eligible for special education and related services under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), including the use of funds available under part B of such Act (20 U.S.C. 1411 et seq.) to support the participation of such students in the program.

(e) MATCHING REQUIREMENT.—An institution of higher education (or consortium) that receives a grant under this section shall provide matching funds toward the cost of the inclusive higher education program for students with intellectual disabilities carried out under the grant. Such matching funds may be provided in cash or in-kind, and shall be in an amount of not less than 25 percent of the amount of such costs.

(f) DATA COLLECTION AND TRANSMISSION.—

(1) IN GENERAL.—An institution or consortium receiving a grant under this section shall collect and transmit to the coordinating center established under section 777(b) on an annual basis for each student who is enrolled in the program, student-

level information related to the experiences and outcomes of students who participate in the inclusive higher education program for students with intellectual disabilities.

(2) LONGITUDINAL DATA.—Each grantee shall collect longitudinal outcome data from each student participating in the program and transmit such data to the coordinating center established under section 777(b). Such longitudinal data shall be collected for every student each year for 5 years after the student graduates from, or otherwise exits, the program.

(3) DATA TO BE COLLECTED.—The program-level information and data and student-level information and data to be collected under this subsection shall include—

(A) the number and type of postsecondary education courses taken and completed by the student;

(B) academic outcomes;

(C) competitive, integrated employment outcomes;

(D) independent living outcomes; and

(E) social outcomes, including community integration.

(4) DISAGGREGATION.—The information determined under paragraph (3) shall be disaggregated by race, gender, socioeconomic status, Federal Pell Grant eligibility status, status as a first generation college student, and veteran or active duty status.

(g) REPORT.—Not later than 5 years after the date of the first grant awarded under this section, the Secretary shall prepare and disseminate a report to the authorizing committees and to the public that—

(1) reviews the activities of the inclusive higher education programs for students with intellectual disabilities funded under this section; and

(2) provides guidance and recommendations on how effective programs can be replicated.

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SEC. 769. AUTHORIZATION OF APPROPRIATIONS AND RESERVATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year **[**2009**]** *2021* and each of the five succeeding fiscal years.

(b) RESERVATION OF FUNDS.—For any fiscal year for which appropriations are made for this subpart, the Secretary shall reserve funds to enter into a cooperative agreement to establish the coordinating center under section 777(b), in an amount that is—

(1) not less than $240,000 for any year in which the amount appropriated to carry out this subpart is $8,000,000 or less; or

(2) equal to 3 percent of the amount appropriated to carry out this subpart for any year in which such amount appropriated is greater than $8,000,000.

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Subpart 4—National Technical Assistance Center; Coordinating Center

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[SEC. 777. NATIONAL TECHNICAL ASSISTANCE CENTER; COORDINATING CENTER.

[(a) NATIONAL CENTER.—

[(1) IN GENERAL.—From amounts appropriated under section 778, the Secretary shall award a grant to, or enter into a contract or cooperative agreement with, an eligible entity to provide for the establishment and support of a National Center for Information and Technical Support for Postsecondary Students with Disabilities (in this subsection referred to as the "National Center"). The National Center shall carry out the duties set forth in paragraph (4).

[(2) ADMINISTRATION.—The program under this section shall be administered by the office in the Department that administers other postsecondary education programs.

[(3) ELIGIBLE ENTITY.—In this subpart, the term "eligible entity" means an institution of higher education, a nonprofit organization, or partnership of two or more such institutions or organizations, with demonstrated expertise in—

[(A) supporting students with disabilities in postsecondary education;

[(B) technical knowledge necessary for the dissemination of information in accessible formats;

[(C) working with diverse types of institutions of higher education, including community colleges; and

[(D) the subjects supported by the grants, contracts, or cooperative agreements authorized in subparts 1, 2, and 3.

[(4) DUTIES.—The duties of the National Center shall include the following:

[(A) ASSISTANCE TO STUDENTS AND FAMILIES.—The National Center shall provide information and technical assistance to students with disabilities and the families of students with disabilities to support students across the broad spectrum of disabilities, including—

[(i) information to assist individuals with disabilities who are prospective students of an institution of higher education in planning for postsecondary education while the students are in secondary school;

[(ii) information and technical assistance provided to individualized education program teams (as defined in section 614(d)(1) of the Individuals with Disabilities Education Act) for secondary school students with disabilities, and to early outreach and student services programs, including programs authorized under subparts 2, 4, and 5 of part A of title IV, to support students across a broad spectrum of disabilities with the successful transition to postsecondary education;

[(iii) research-based supports, services, and accommodations which are available in postsecondary settings, including services provided by other agencies such as vocational rehabilitation;

[(iv) information on student mentoring and networking opportunities for students with disabilities; and

[(v) effective recruitment and transition programs at postsecondary educational institutions.

[(B) ASSISTANCE TO INSTITUTIONS OF HIGHER EDUCATION.—The National Center shall provide information and technical assistance to faculty, staff, and administrators of institutions of higher education to improve the services provided to, the accommodations for, the retention rates of, and the completion rates of, students with disabilities in higher education settings, which may include—

[(i) collection and dissemination of best and promising practices and materials for accommodating and supporting students with disabilities, including practices and materials supported by the grants, contracts, or cooperative agreements authorized under subparts 1, 2, and 3;

[(ii) development and provision of training modules for higher education faculty on exemplary practices for accommodating and supporting postsecondary students with disabilities across a range of academic fields, which may include universal design for learning and practices supported by the grants, contracts, or cooperative agreements authorized under subparts 1, 2, and 3; and

[(iii) development of technology-based tutorials for higher education faculty and staff, including new faculty and graduate students, on best and promising practices related to support and retention of students with disabilities in postsecondary education.

[(C) INFORMATION COLLECTION AND DISSEMINATION.—The National Center shall be responsible for building, maintaining, and updating a database of disability support services information with respect to institutions of higher education, or for expanding and updating an existing database of disabilities support services information with respect to institutions of higher education. Such database shall be available to the general public through a website built to high technical standards of accessibility practicable for the broad spectrum of individuals with disabilities. Such database and website shall include available information on—

[(i) disability documentation requirements;

[(ii) support services available;

[(iii) links to financial aid;

[(iv) accommodations policies;

[(v) accessible instructional materials;

[(vi) other topics relevant to students with disabilities; and

[(vii) the information in the report described in subparagraph (E).

[(D) DISABILITY SUPPORT SERVICES.—The National Center shall work with organizations and individuals with proven expertise related to disability support services for postsecondary students with disabilities to evaluate, improve, and disseminate information related to the delivery of high quality disability support services at institutions of higher education.

[(E) REVIEW AND REPORT.—Not later than three years after the establishment of the National Center, and every two years thereafter, the National Center shall prepare and disseminate a report to the Secretary and the authorizing committees analyzing the condition of postsecondary success for students with disabilities. Such report shall include—

[(i) a review of the activities and the effectiveness of the programs authorized under this part;

[(ii) annual enrollment and graduation rates of students with disabilities in institutions of higher education from publicly reported data;

[(iii) recommendations for effective postsecondary supports and services for students with disabilities, and how such supports and services may be widely implemented at institutions of higher education;

[(iv) recommendations on reducing barriers to full participation for students with disabilities in higher education; and

[(v) a description of strategies with a demonstrated record of effectiveness in improving the success of such students in postsecondary education.

[(F) STAFFING OF THE CENTER.—In hiring employees of the National Center, the National Center shall consider the expertise and experience of prospective employees in providing training and technical assistance to practitioners.

[(b) COORDINATING CENTER.—

[(1) DEFINITION OF ELIGIBLE ENTITY.—In this subsection, the term "eligible entity" means an entity, or a partnership of entities, that has demonstrated expertise in the fields of—

[(A) higher education;

[(B) the education of students with intellectual disabilities;

[(C) the development of comprehensive transition and postsecondary programs for students with intellectual disabilities; and

[(D) evaluation and technical assistance.

[(2) IN GENERAL.—From amounts appropriated under section 778, the Secretary shall enter into a cooperative agreement, on a competitive basis, with an eligible entity for the purpose of establishing a coordinating center for institutions of higher education that offer inclusive comprehensive transition and postsecondary programs for students with intellectual disabilities, including institutions participating in grants authorized under subpart 2, to provide—

[(A) recommendations related to the development of standards for such programs;

[(B) technical assistance for such programs; and

[(C) evaluations for such programs.

[(3) ADMINISTRATION.—The program under this subsection shall be administered by the office in the Department that administers other postsecondary education programs.

[(4) DURATION.—The Secretary shall enter into a cooperative agreement under this subsection for a period of five years.

[(5) REQUIREMENTS OF COOPERATIVE AGREEMENT.—The eligible entity entering into a cooperative agreement under this subsection shall establish and maintain a coordinating center that shall—

[(A) serve as the technical assistance entity for all comprehensive transition and postsecondary programs for students with intellectual disabilities;

[(B) provide technical assistance regarding the development, evaluation, and continuous improvement of such programs;

[(C) develop an evaluation protocol for such programs that includes qualitative and quantitative methodologies for measuring student outcomes and program strengths in the areas of academic enrichment, socialization, independent living, and competitive or supported employment;

[(D) assist recipients of grants under subpart 2 in efforts to award a meaningful credential to students with intellectual disabilities upon the completion of such programs, which credential shall take into consideration unique State factors;

[(E) develop recommendations for the necessary components of such programs, such as—

[(i) academic, vocational, social, and independent living skills;

[(ii) evaluation of student progress;

[(iii) program administration and evaluation;

[(iv) student eligibility; and

[(v) issues regarding the equivalency of a student's participation in such programs to semester, trimester, quarter, credit, or clock hours at an institution of higher education, as the case may be;

[(F) analyze possible funding streams for such programs and provide recommendations regarding the funding streams;

[(G) develop model memoranda of agreement for use between or among institutions of higher education and State and local agencies providing funding for such programs;

[(H) develop mechanisms for regular communication, outreach and dissemination of information about comprehensive transition and postsecondary programs for students with intellectual disabilities under subpart 2 between or among such programs and to families and prospective students;

[(I) host a meeting of all recipients of grants under subpart 2 not less often than once each year; and

[(J) convene a workgroup to develop and recommend model criteria, standards, and components of such programs as described in subparagraph (E), that are appropriate for the development of accreditation standards, which workgroup shall include—

[(i) an expert in higher education;

[(ii) an expert in special education;

[(iii) a disability organization that represents students with intellectual disabilities;

[(iv) a representative from the National Advisory Committee on Institutional Quality and Integrity; and

[(v) a representative of a regional or national accreditation agency or association.

[(6) REPORT.—Not later than five years after the date of the establishment of the coordinating center under this subsection, the coordinating center shall report to the Secretary, the authorizing committees, and the National Advisory Committee on Institutional Quality and Integrity on the recommendations of the workgroup described in paragraph (5)(J).

[SEC. 778. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out this subpart such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.]

SEC. 777. NATIONAL TECHNICAL ASSISTANCE CENTER AND NATIONAL COORDINATING CENTER FOR INCLUSION OF STUDENTS WITH INTELLECTUAL DISABILITIES.

(a) NATIONAL TECHNICAL ASSISTANCE CENTER.—

(1) IN GENERAL.—From amounts appropriated under paragraph (5), the Secretary shall award a grant to, or enter into a contract or cooperative agreement with, an eligible entity to provide for the establishment and support of a National Technical Assistance Center. The National Technical Assistance Center shall carry out the duties set forth in paragraph (4).

(2) ADMINISTRATION.—The program under this section shall be administered by the office in the Department that administers other postsecondary education programs in consultation with the Office of Special Education and Rehabilitative Services.

(3) ELIGIBLE ENTITY.—In this subpart, the term "eligible entity" means an institution of higher education, a nonprofit organization, or partnership of two or more such institutions or organizations, with demonstrated expertise in—

(A) transitioning students with disabilities from secondary school to postsecondary education;

(B) supporting students with disabilities in postsecondary education;

(C) technical knowledge necessary for the dissemination of information in accessible formats; and

(D) working with diverse types of institutions of higher education, including community colleges.

(4) DUTIES.—The duties of the National Technical Assistance Center shall include the following:

(A) ASSISTANCE TO STUDENTS AND FAMILIES.—The National Technical Assistance Center shall provide information and technical assistance to students with disabilities and the families of students with disabilities to support students across the broad spectrum of disabilities, including—

(i) information to assist individuals with disabilities who are prospective students of an institution of higher education in planning for postsecondary education while the students are in secondary school;

(ii) information and technical assistance provided to individualized education program teams (as defined in

section 614(d)(1) of the Individuals with Disabilities Education Act) for secondary school students with disabilities, and to early outreach and student services programs, including programs authorized under subparts 2, 4, and 5 of part A of title IV, to support students across a broad spectrum of disabilities with the successful transition to postsecondary education;

(iii) research-based supports, services, and accommodations which are available in postsecondary settings, including services provided by other agencies such as vocational rehabilitation;

(iv) information on student mentoring and networking opportunities for students with disabilities; and

(v) effective recruitment and transition programs at postsecondary educational institutions.

(B) ASSISTANCE TO INSTITUTIONS OF HIGHER EDUCATION.—The National Technical Assistance Center shall provide information and technical assistance to faculty, staff, and administrators of institutions of higher education to improve the services provided to, the accommodations for, the retention rates of, and the completion rates of, students with disabilities in higher education settings, which may include—

(i) collection and dissemination of best and promising practices and materials for accommodating and supporting students with disabilities, including practices and materials supported by the grants, contracts, or cooperative agreements authorized under subparts 1, 2, and 3;

(ii) development and provision of training modules for higher education faculty on exemplary practices for accommodating and supporting postsecondary students with disabilities across a range of academic fields, which may include universal design for learning and practices supported by the grants, contracts, or cooperative agreements authorized under subparts 1, 2, and 3; and

(iii) development of technology-based tutorials for higher education faculty and staff, including new faculty and graduate students, on best and promising practices related to support and retention of students with disabilities in postsecondary education.

(C) INFORMATION COLLECTION AND DISSEMINATION.—The National Technical Assistance Center shall be responsible for building, maintaining, and updating a database of disability support services information with respect to institutions of higher education, or for expanding and updating an existing database of disabilities support services information with respect to institutions of higher education. Such database shall be available to the general public through a website built to high technical standards of accessibility practicable for the broad spectrum of individuals with disabilities. Such database and website shall include available information on—

(i) disability documentation requirements;

(ii) support services available;

(iii) links to financial aid;

(iv) accommodations policies;

(v) accessible instructional materials;

(vi) other topics relevant to students with disabilities; and

(vii) the information in the report described in subparagraph (E).

(D) DISABILITY SUPPORT SERVICES.—The National Technical Assistance Center shall work with organizations and individuals with proven expertise related to disability support services for postsecondary students with disabilities to evaluate, improve, and disseminate information related to the delivery of high quality disability support services at institutions of higher education.

(E) REVIEW AND REPORT.—Not later than three years after the establishment of the National Technical Assistance Center, and every two years thereafter, the National Technical Assistance Center shall prepare and disseminate a report to the Secretary and the authorizing committees analyzing the condition of postsecondary success for students with disabilities. Such report shall include—

(i) a review of the activities and the effectiveness of the programs authorized under this part;

(ii) annual enrollment and graduation rates of students with disabilities in institutions of higher education from publicly reported data;

(iii) recommendations for effective postsecondary supports and services for students with disabilities, and how such supports and services may be widely implemented at institutions of higher education;

(iv) recommendations on reducing barriers to full participation for students with disabilities in higher education; and

(v) a description of strategies with a demonstrated record of effectiveness in improving the success of such students in postsecondary education.

(F) STAFFING OF THE CENTER.—In hiring employees of the National Technical Assistance Center, the National Technical Assistance Center shall consider the expertise and experience of prospective employees in providing training and technical assistance to practitioners.

(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $10,000,000.

(b) THE NATIONAL COORDINATING CENTER FOR INCLUSION OF STUDENTS WITH INTELLECTUAL DISABILITIES.—

(1) DEFINITION OF ELIGIBLE ENTITY.—In this subsection, the term "eligible entity" means an entity, or a partnership of entities, that has demonstrated expertise in the fields of—

(A) higher education;

(B) the education of students with intellectual disabilities;

(C) the development of inclusive higher education programs for students with intellectual disabilities; and

(D) evaluation and technical assistance.

(2) IN GENERAL.—From amounts appropriated under paragraph (7), the Secretary shall enter into a cooperative agreement, on a competitive basis, with an eligible entity for the purpose of establishing a coordinating center for institutions of higher education that offer inclusive higher education programs for students with intellectual disabilities, including institutions participating in grants authorized under subpart 2 to provide—

(A) recommendations related to the development of standards for such programs;

(B) technical assistance for such programs; and

(C) evaluations for such programs, including systematic collection of data on the experiences and outcomes of individuals with intellectual disabilities.

(3) ADMINISTRATION.—The program under this subsection shall be administered by the Office of Postsecondary Education, in collaboration with the Office of Special Education and Rehabilitative Services.

(4) DURATION.—The Secretary shall enter into a cooperative agreement under this subsection for a period of five years.

(5) REQUIREMENTS OF COOPERATIVE AGREEMENT.—The eligible entity entering into a cooperative agreement under this subsection shall establish and maintain a coordinating center that shall—

(A) serve as the technical assistance entity for all inclusive higher education programs and comprehensive transition and postsecondary programs for students with intellectual disabilities;

(B) provide technical assistance regarding the development, evaluation, and continuous improvement of such programs;

(C) evaluate such programs using qualitative and quantitative methodologies for measuring program strengths in the areas of academic access, academic enrichment, socialization, competitive integrated employment, attainment of a degree, certificate, or recognized postsecondary credential, and independent living;

(D) evaluate participant progress by creating and maintaining a database of student-level information and data related to the experiences and outcomes of youth who participate in each inclusive higher education program that receives a grant under this subpart;

(E) create and maintain a mechanism for continuing to collect outcome information from students who participated in inclusive higher education programs that were developed in previous grant award cycles;

(F) assist recipients of a grant under this subpart in efforts to award a degree, certificate, or recognized postsecondary credential;

(G) create and maintain a database of student and program level data reflecting implementation of the inclusive higher education program that receives a grant under this subpart;

(H) create and maintain a mechanism to consolidate follow up data on student outcomes collected by inclusive

higher education programs funded through previous grant cycles;

(I) assist recipients of grants under subpart 2 in efforts to award a degree, certificate, or recognized postsecondary credential to students with intellectual disabilities upon the completion of such programs;

(J) identify model memoranda of agreement for use between or among institutions of higher education and State and local agencies providing funding for such programs;

(K) develop recommendations for the necessary components of such programs, such as—

(i) academic, career and technical, social, and independent living skills;

(ii) evaluation of student progress;

(iii) program administration and evaluation;

(iv) student eligibility;

(v) issues regarding the equivalency of a student's participation in such programs to semester, trimester, quarter, credit, or clock hours at an institution of higher education, as the case may be; and

(vi) access to student housing for students participating in the inclusive higher education programs, including accommodations and services that support independent living;

(L) review and analyze—

(i) the impact of State and Federal policy on inclusive higher education legislation; and

(ii) funding streams for such programs;

(M) provide recommendations regarding the funding streams described in paragraph (H)(ii);

(N) develop mechanisms for regular communication, outreach and dissemination of information about inclusive higher education programs for students with intellectual disabilities under subpart 2 between or among such programs and to families and prospective students;

(O) host a meeting of all recipients of grants under subpart 2 not less often than once each year; and

(P) convene a work group to continue the development of and recommendations for model criteria, standards, and components of inclusive higher education programs and comprehensive transition and postsecondary programs for students with intellectual disabilities, that are appropriate for the development of accreditation standards—

(i) which work group shall include—

(I) an expert in community college education;

(II) an expert in career technical education;

(III) an expert in 4–year institutions of higher education;

(IV) an expert in special education;

(V) a disability organization that represents students with intellectual disabilities;

(VI) a representative from the National Advisory Committee on Institutional Quality and Integrity; and

(VII) a representative of a regional or national accreditation agency or association; and

(ii) the work group will carry out the following activities—

(I) conduct outreach to accrediting agencies;

(II) develop a technical guidance document to support implementation of the model standards;

(III) develop and conduct a protocol for implementing the model standards; and

(IV) update recommendations for the model standards, criteria, and components of such programs, as applicable.

(6) REPORT.—Not later than 5 years after the date of the establishment of the coordinating center under this subsection, the coordinating center shall report to the Secretary, the authorizing committees, and the National Advisory Committee on Institutional Quality and Integrity on the activities described in paragraph (5).

(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 2021 and each of the five succeeding fiscal years.

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PART F—GRANTS FOR IMPROVING ACCESS TO AND SUCCESS IN HIGHER EDUCATION FOR FOSTER YOUTH AND HOMELESS YOUTH

SEC. 791. DEFINITIONS.

In this part:

(1) FOSTER YOUTH.—The term "foster youth"—

(A) means an individual whose care and placement is the responsibility of the State or tribal agency that administers a State or tribal plan under part B or E of title IV of the Social Security Act (42 U.S.C. 621 et seq.; 670 et seq.), without regard to whether foster care maintenance payments are made under section 472 of such Act (42 U.S.C. 672) on behalf of the individual; and

(B) includes any individual—

(i) whose care and placement was the responsibility of such a State or tribal agency when, or at any time after, the individual attained 13 years of age, without regard to whether foster care maintenance payments were made under section 472 of such Act (42 U.S.C. 672) on behalf of the individual; and

(ii) who is no longer under the care and responsibility of such a State or tribal agency, without regard to any subsequent adoption, guardianship arrangement, or other form of permanency option.

(2) HOMELESS YOUTH.—The term "homeless youth" has the meaning given the term 'homeless children and youths' in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a).

(3) INDIAN TRIBE; TRIBAL ORGANIZATION.—The terms "Indian Tribe" and "tribal organization" have the meanings given the terms in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

(4) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101.

(5) STATE.—The term "State" means each of the several States and the District of Columbia.

(6) TERRITORY.—The term "territory" means Puerto Rico, United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

SEC. 792. FORMULA GRANTS TO STATES TO IMPROVE ACCESS TO AND SUCCESS IN HIGHER EDUCATION FOR FOSTER YOUTH AND HOMELESS YOUTH.

(a) GRANT PROGRAM ESTABLISHED.—From the amount appropriated under subsection (h), the Secretary shall make allotments under subsection (b), to States having applications approved under subsection (c), to enable each State to—

(1) carry out the Statewide transition initiative described in subsection (d); and

(2) make subgrants described in subsection (e).

(b) ALLOCATIONS.—

(1) FORMULA.—

(A) RESERVATION FOR INDIAN TRIBES AND TERRITORIES.—

(i) IN GENERAL.—From the amount appropriated under subsection (h) for a fiscal year and subject to clause (ii), the Secretary shall reserve—

(I) not more than 3 percent for grants to Indian Tribes, consortia of Indian Tribes, or Tribal organizations; and

(II) not more than 2 percent for grants to territories.

(ii) REQUIREMENTS.—In awarding grants under this subparagraph, the Secretary—

(I) shall not award a grant under subclause (I) or (II) of clause (i) for a fiscal year for which no Indian Tribe (or consortium of Indian Tribes) or Tribal organization, or territory, respectively, submits a satisfactory application for a grant under such subclause;

(II) shall require that any Indian Tribe, consortium, Tribal organization, or territory that receives a grant under this subparagraph provide an assurance of a partnership among relevant education, child welfare, and homeless agencies or organizations; and

(III) may determine any other requirements with respect to such grants (including the allocation, application, and use of fund requirements), which to the extent possible, shall be consistent with the requirements for States under this part, except that appropriate adjustments shall be made based on

the needs and size of populations served by the Indian Tribe, consortium, Tribal organization, or territory applying for the grant.

(B) RESERVATION FOR DEPARTMENT ACTIVITIES.—From the amount appropriated under subsection (h) for a fiscal year, the Secretary may reserve—

(i) not more than 7 percent to—

(I) provide technical assistance, in consultation with Secretary of Health and Human Services, to States carrying out activities under this section; and

(II) complete the evaluations required by subsection (g)(1); and

(ii) not more than 3 percent for administrative expenses.

(C) ALLOCATIONS.—From the amount appropriated under subsection (h) for a fiscal year and remaining after the Secretary reserves funds under subparagraphs (A) and (B), the Secretary shall allocate to each State the greater of—

(i) $500,000; or

(ii) the amount that bears the same proportion to the remaining appropriated amount for such fiscal year as the number of foster youth and homeless youth in the State bears to the number of foster youth and homeless youth in all States.

(D) RATABLE REDUCTION.—If the amount appropriated under subsection (h) for a fiscal year and remaining after the Secretary reserves funds under subparagraphs (A) and (B) is less than the amount required to be allocated to States under subparagraph (C), then the amount of the allocation to each State shall be ratably reduced.

(2) STATE RESERVATION.—From the amounts awarded a State under paragraph (1)(C) for a fiscal year, the State may reserve not more than 5 percent for administrative expenses.

(3) TEMPORARY INELIGIBILITY FOR SUBSEQUENT PAYMENTS.—

(A) IN GENERAL.—The Secretary shall determine a State to be temporarily ineligible to receive a grant payment under this subsection for a fiscal year if—

(i) the State fails to submit an annual report under subsection (f) for the preceding fiscal year; or

(ii) the Secretary determines, based on information in such annual report, that the State is not effectively—

(I) meeting the outcomes described in the application of such State under subsection (c)(2)(C), and does not have a plan to improve the outcomes;

(II) monitoring and evaluating the activities under subsections (d) and (e); or

(III) using funds as required under subsections (d) and (e).

(B) REINSTATEMENT.—If the Secretary determines that a State is ineligible under subparagraph (A), the Secretary may enter into an agreement with the State setting forth the terms and conditions under which the State may regain eligibility to receive payments under this section.

(c) APPLICATIONS.—

(1) IN GENERAL.—For each fiscal year for which a State desires an allotment under subsection (b), the State shall submit an application to the Secretary at such time, in such manner, and containing the information described in paragraph (2).

(2) INFORMATION REQUIRED.—An application submitted under paragraph (1) shall include the following:

(A) A plan for how the State will carry out the activities under subsections (d) and (e).

(B) A description of the State's capacity to carry out such activities.

(C) A description of intended outcomes for such activities.

(D) A plan for how the State will monitor and evaluate such activities, including how the State will use data to continually update and improve such activities.

(E) A description of how students will be identified and recruited for participation in the Statewide transition initiative under subsection (d).

(F) An estimate of the number and characteristics of the populations targeted for participation in the Statewide transition initiative under subsection (d) with attention to the diverse needs of homeless youth and foster youth in the State.

(G) A description of how the State will coordinate services provided under the grant with services provided to foster youth and homeless youth under the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301 et seq.), the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.), and other services provided to foster youth and homeless youth by the State.

(H) An assurance that the State will comply with subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.).

(I) An assurance that the State will partner with State educational agencies, local educational agencies, institutions of higher education, State and local child welfare authorities, and other relevant organizations that serve foster youth or homeless youth.

(J) An assurance that the State will submit the annual report required under subsection (f).

(K) A budgetary analysis of the use of funds awarded under this section.

(L) Such other information as the Secretary may require.

(d) STATEWIDE TRANSITION INITIATIVE.—

(1) USE OF FUNDS.—Subject to subsection (b)(2), and in consultation and coordination with the entities described in paragraph (2) of this subsection, a State receiving a grant award under this section shall use not less than 25 percent of the funds to—

(A) provide intensive outreach and support to foster youth and homeless youth to—

(i) improve the understanding and preparation of such youth for enrollment in institutions of higher education;

(ii) increase the number of applications to institutions of higher education submitted by such youth; and

(iii) increase the number of enrollments at institutions of higher education;

(B) provide education to foster youth and homeless youth with respect to—

(i) the benefits and opportunities of postsecondary education;

(ii) planning for postsecondary education;

(iii) financial aid opportunities that assist youth with covering the cost of attendance of an institution of higher education;

(iv) the Federal and State services and benefits available to foster youth and homeless youth while enrolled at an institution of higher education, including health and mental health services;

(v) career exploration; and

(vi) financial literacy training, including security from identity theft;

(C) assist foster youth and homeless youth with submitting applications for—

(i) enrollment at an institution of higher education;

(ii) financial aid for such enrollment; and

(iii) scholarships available for such students, including under a State educational and training voucher program referred to in section 477(i) of the Social Security Act; and

(D) provide free programming, which may include free transportation to and from such programming, for foster youth and homeless youth to prepare such individuals socially and academically for the rigors of postsecondary education during the summer before such individuals first attend an institution of higher education.

(2) REQUIRED CONSULTATION AND COORDINATION.—In carrying out the activities described in paragraph (1), a State shall consult and coordinate with State educational agencies, local educational agencies, institutions of higher education, State and local child welfare authorities, and other relevant organizations that serve foster youth or homeless youth.

(e) SUBGRANTS TO CREATE INSTITUTIONS OF EXCELLENCE.—

(1) IN GENERAL.—Subject to the subsection (b)(2), a State receiving a grant under this section shall, acting through the administering State agency, use not less than 70 percent of the funds to award, on a competitive basis, subgrants to eligible institutions to enable such institutions to become institutions of excellence by improving college access, retention, and completion rates for foster and homeless youth as described in paragraph (3).

(2) APPLICATION.—

(A) IN GENERAL.—An eligible institution desiring a subgrant under this subsection shall submit an application to the State in which such eligible institution is located, at such time, in such manner, and containing such information as the State may require.

(B) TECHNICAL ASSISTANCE.—States shall provide outreach and technical assistance to eligible institutions with respect to applications for subgrants under this subsection.

(3) ACTIVITIES.—An eligible institution that receives a grant under this subsection shall use the grant funds to carry out the following activities with respect to homeless youth and foster youth:

(A) Provide flexibility and assistance in completing the application process to enroll at such institution.

(B) Coordinate programs with relevant on- and off-campus stakeholders to increase the enrollment of such youth at the institution and align services at the institution for such youth.

(C) Adjust the cost of attendance for such youth at such eligible institution to include the cost of housing during periods of non-enrollment.

(D) Provide institutional aid to such students to meet the cost of attendance that is not covered by other Federal or State educational grants.

(E) Provide outreach to such students to ensure that such youth are aware of housing resources available during periods of non-enrollment.

(F) Subsidize any fees for such students associated with orientation and offer free transportation to college orientation or move-in week.

(G) Hire and provide training for at least one full-time staff at the eligible institution to serve as a point of contact to provide case management services and monthly face-to-face meetings with students who are foster youth or homeless youth. Such individual shall have an advanced degree and at least two years of relevant experience.

(H) Establish or enhance campus support programs to provide such students with a wide-range of on-campus services including—

(i) assistance with financial aid;

(ii) career advice; and

(iii) leadership development.

(I) Ensure the availability of robust student health services (physical and mental) that meet the specific needs of foster youth and homeless youth.

(J) Establish or expand early alert systems to identify and support such students who may be struggling academically.

(K) For each such student with reasonable, unanticipated expenses that would not be covered by the institutional aid provided under subparagraph (D) and that would be necessary for the student to persist in college during an academic year, provide the student with access to an emergency grant to help cover such expenses.

(L) Collect, review, and monitor data for program improvement.

(4) RELIANCE ON INSTITUTIONAL AID.—Any institutional aid provided to a student under paragraph (3)(D) by an eligible institution during the grant period of the institution's grant under this section shall continue to be provided during the student's

continuous enrollment at the institution, without regard to whether the grant period ends during such enrollment.

(5) DEFINITIONS.—In this subsection:

(A) ADMINISTERING STATE AGENCY.—The term "administering State agency" means a State agency—

(i) designated by the Governor or executive of the State to administer the subgrants under this subsection; and

(ii) that, with respect to such State, has jurisdiction over—

(I) foster youth;

(II) homeless youth;

(III) elementary and secondary education; or

(IV) higher education.

(B) ELIGIBLE INSTITUTION.—The term "eligible institution" means an institution of higher education—

(i) that is in partnership with—

(I) the State child welfare agency that is responsible for the administration of the State plan under part B or E of title IV of the Social Security Act (42 U.S.C. 621 et seq.; 670 et seq.); and

(II) an organization that serves homeless youth (such as a youth shelter or outreach program); and

(ii) that may partner with any other provider, agency, official, or entity that serves foster youth and homeless youth, or former foster youth and homeless youth.

(f) STATE REPORTS.—For each year in which a State receives an allotment under subsection (b), the State shall prepare and submit a report to the Secretary that includes—

(1) each activity or service that was carried out under this section;

(2) the cost of providing each such activity or service;

(3) the number of students who received each activity or service disaggregated by each subgroup of students described in subclauses (I) through (VI) of section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi));

(4) using qualitative and quantitative analysis, how the State—

(A) improved access to higher education for foster youth and homeless youth; and

(B) measured youth satisfaction with activities carried out under this part;

(5) an analysis of the implementation and progress of the Statewide transition initiative under subsection (d), including challenges and changes made to the initiative throughout the preceding year;

(6) if, based on the analysis under paragraph (5), the State determines that the program is not on track to meet the intended outcomes described in the application of the State under subsection (c)(2)(C), a description of how the State plans to meet such intended outcomes; and

(7) information on the eligible institutions receiving subgrants, including how such institutions used subgrant funds to carry out the activities described in subsection (e)(3).

(g) DEPARTMENT ACTIVITIES.—

(1) EVALUATIONS.—Beginning on the date on which funds are first allotted under subsection (b), and annually thereafter, the Secretary shall evaluate recipients of allotments and subgrants under this section. The results of such evaluations shall be made publicly available on the website of the Department.

(2) REPORT TO CONGRESS.—Not later than 1 year after the date on which funds are first allocated under subsection (b), and annually thereafter, the Secretary shall submit a report to Congress that includes—

(A) the amount of each allotment under subsection (b);

(B) the amount of each subgrant under subsection (e); and

(C) with respect to the year for which such report is made, the results of the evaluations under paragraph (1).

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Subject to paragraph (2), there are authorized to be appropriated to carry out this part $150,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

(2) ADJUSTMENT FOR INFLATION.—

(A) IN GENERAL.—The amount authorized to be appropriated under paragraph (1) for fiscal year 2022 and each of the 4 succeeding fiscal years shall be deemed increased by the annual adjustment percentage.

(B) DEFINITION.—In this paragraph, the term "annual adjustment percentage", as applied to a fiscal year, means the estimated percentage change in the Consumer Price Index (as determined by the Secretary, using the definition in section 478(f)) for the most recent calendar year ending before the beginning of that fiscal year.

* * * * * * *

TITLE VIII—ADDITIONAL PROGRAMS

[PART A—PROJECT GRAD

[SEC. 801. PROJECT GRAD.

[(a) PURPOSES.—The purposes of this section are—

[(1) to provide support and assistance to programs implementing integrated education reform services in order to improve secondary school graduation, postsecondary program attendance, and postsecondary completion rates for low-income students; and

[(2) to promote the establishment of new programs to implement such integrated education reform services.

[(b) DEFINITIONS.—In this section:

[(1) LOW-INCOME STUDENT.—The term "low-income student" means a student who is determined by a local educational agency to be from a low-income family using the measures described in section 1113(a)(5) of the Elementary and Secondary Education Act of 1965.

[(2) FEEDER PATTERN.—The term "feeder pattern" means a secondary school and the elementary schools and middle schools that channel students into that secondary school.

[(c) CONTRACT AUTHORIZED.—From the amount appropriated to carry out this section, the Secretary is authorized to award a five-year contract to Project GRAD USA (referred to in this section as the "contractor"), a nonprofit education organization that has as its primary purpose the improvement of secondary school graduation and postsecondary attendance and completion rates for low-income students. Such contract shall be used to carry out the requirements of subsection (d) and to implement and sustain integrated education reform services through subcontractor activities described in subsection (e)(3) at existing Project GRAD program sites and to promote the expansion to new sites.

[(d) REQUIREMENTS OF CONTRACT.—The Secretary shall enter into an agreement with the contractor that requires that the contractor shall—

[(1) enter into subcontracts with nonprofit educational organizations that serve a substantial number or percentage of low-income students (referred to in this subsection as "subcontractors"), under which the subcontractors agree to implement the Project GRAD programs described in subsection (e) and provide matching funds for such programs;

[(2) directly carry out—

[(A) activities to implement and sustain the literacy, mathematics, classroom management, social service, and postsecondary access programs further described in subsection (e)(3);

[(B) activities to build the organizational and management capacity of the subcontractors to effectively implement and sustain the programs;

[(C) activities for the purpose of improving and expanding the programs, including activities—

[(i) to further articulate a program for one or more grade levels and across grade levels;

[(ii) to tailor a program for a particular target audience; and

[(iii) to provide tighter integration across programs;

[(D) activities for the purpose of implementing new Project GRAD program sites;

[(E) activities for the purpose of promoting greater public awareness of integrated education reform services to improve secondary school graduation and postsecondary attendance rates for low-income students; and

[(F) other activities directly related to improving secondary school graduation and postsecondary attendance and completion rates for low-income students; and

[(3) use contract funds available under this section to pay—

[(A) the amount determined under subsection (f); and

[(B) costs associated with carrying out the activities and providing the services, as provided in paragraph (2) of this subsection.

[(e) SUPPORTED PROGRAMS.—

[(1) DESIGNATION.—The subcontractor programs referred to in this subsection shall be known as Project GRAD programs.

[(2) FEEDER PATTERNS.—Each subcontractor shall implement a Project GRAD program and shall, with the agreement of the contractor—

[(A) identify or establish not less than one feeder pattern of public schools; and

[(B) provide the integrated educational reform services described in paragraph (3) at each identified feeder pattern.

[(3) INTEGRATED EDUCATION REFORM SERVICES.—The services provided through a Project GRAD program may include—

[(A) research-based programs in reading, mathematics, and classroom management;

[(B) campus-based social services programs, including a systematic approach to increase family and community involvement in the schools served by the Project GRAD program;

[(C) a postsecondary access program that includes—

[(i) providing postsecondary scholarships for students who meet established criteria;

[(ii) proven approaches for increasing student and family postsecondary awareness; and

[(iii) assistance for students in applying for higher education financial aid; and

[(D) such other services identified by the contractor as necessary to increase secondary school graduation and postsecondary attendance and completion rates.

[(f) USE OF FUNDS.—Of the funds made available to carry out this section, not more than five percent of such funds, or $4,000,000, whichever is less, shall be used by the contractor to pay for administration of the contract.

[(g) CONTRIBUTION AND MATCHING REQUIREMENT.—

[(1) IN GENERAL.—The contractor shall provide to each subcontractor an average of $200 for each student served by the subcontractor in the Project GRAD program, adjusted to take into consideration—

[(A) the resources or funds available in the area where the subcontractor will implement the Project GRAD program; and

[(B) the need for the Project GRAD program in such area to improve student outcomes, including reading and mathematics achievement, secondary school graduation, and postsecondary attendance and completion rates.

[(2) MATCHING REQUIREMENT.—Each subcontractor shall provide funds for the Project GRAD program in an amount that is equal to the amount received by the subcontractor from the contractor. Such matching funds may be provided in cash or in kind, fairly evaluated.

[(3) WAIVER AUTHORITY.—The contractor may waive, in whole or in part, the requirement of paragraph (2) for a subcontractor, if the subcontractor—

[(A) demonstrates that the subcontractor would not otherwise be able to participate in the program; and

[(B) enters into an agreement with the contractor with respect to the amount to which the waiver will apply.

[(h) EVALUATION.—

[(1) EVALUATION BY THE SECRETARY.—The Secretary shall select an independent entity to evaluate, every three years, the

performance of students who participate in a Project GRAD program under this section. The evaluation shall—

[(A) be conducted using a rigorous research design for determining the effectiveness of the Project GRAD programs funded under this section; and

[(B) compare reading and mathematics achievement, secondary school graduation, and postsecondary attendance and completion rates of students who participate in a Project GRAD program funded under this section with those indicators for students of similar backgrounds who do not participate in such program.

[(2) EVALUATION BY CONTRACTOR AND SUBCONTRACTORS.—The contractor shall require each subcontractor to prepare an in-depth report of the results and the use of funds of each Project GRAD program funded under this section that includes—

[(A) data on the reading and mathematics achievement of students involved in the Project GRAD program;

[(B) data on secondary school graduation and postsecondary attendance and completion rates; and

[(C) such financial reporting as required by the Secretary to review the effectiveness and efficiency of the program.

[(3) AVAILABILITY OF EVALUATIONS.—Copies of any evaluation or report prepared under this subsection shall be made available to—

[(A) the Secretary; and

[(B) the authorizing committees.

[(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

[PART [B] *A*—MATHEMATICS AND SCIENCE SCHOLARS PROGRAM

[SEC. 802. MATHEMATICS AND SCIENCE SCHOLARS PROGRAM.

[(a) PROGRAM AUTHORIZED.—From the amounts appropriated under subsection (f), the Secretary is authorized to award grants to States, on a competitive basis, to enable the States to encourage students to pursue a rigorous course of study, beginning in secondary school and continuing through the students' postsecondary education, in science, technology, engineering, mathematics, or a health-related field.

[(b) APPLICATIONS.—

[(1) IN GENERAL.—A State that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. A State may submit an application to receive a grant under subsection (c) or (d), or both.

[(2) CONTENTS OF APPLICATION.—Each application shall include a description of—

[(A) the program or programs for which the State is applying;

[(B) if applicable, the priority set by the Governor pursuant to subsection (c)(4) or (d)(3); and

[(C) how the State will meet the requirements of subsection (e).

[(c) MATHEMATICS AND SCIENCE SCHOLARS PROGRAM.—

[(1) GRANT FOR SCHOLARSHIPS.—The Secretary shall award grants under this subsection to provide scholarship support to eligible students.

[(2) ELIGIBLE STUDENTS.—A student is eligible for a scholarship under this subsection if the student—

[(A) meets the requirements of section 484(a);

[(B) is a full-time student in the student's first year of undergraduate study; and

[(C) has completed a rigorous secondary school curriculum in mathematics and science.

[(3) RIGOROUS CURRICULUM.—Each participating State shall determine the requirements for a rigorous secondary school curriculum in mathematics and science described in paragraph (2)(C).

[(4) PRIORITY FOR SCHOLARSHIPS.—The Governor of a State may set a priority for awarding scholarships under this subsection for particular eligible students, such as students attending schools in high-need local educational agencies (as defined in section 200), students who are from groups underrepresented in the fields of mathematics, science, and engineering, students served by local educational agencies that do not meet or exceed State standards in mathematics and science, or other high-need students.

[(5) AMOUNT AND DURATION OF SCHOLARSHIP.—The Secretary shall award a grant under this subsection to provide scholarships—

[(A) in an amount that does not exceed $5,000 per student; and

[(B) for not more than one year of undergraduate study.

[(d) STEM OR HEALTH-RELATED SCHOLARS PROGRAM.—

[(1) GRANT FOR SCHOLARSHIPS.—The Secretary shall award grants under this subsection to provide scholarship support to eligible students.

[(2) ELIGIBLE STUDENTS.—A student is eligible for scholarship under this subsection if the student—

[(A) meets the requirements of section 484(a);

[(B) is a full-time student who has completed at least the first year of undergraduate study;

[(C) is enrolled in a program of undergraduate instruction leading to a bachelor's degree with a major in science, technology, engineering, mathematics, or a health-related field; and

[(D) has obtained a cumulative grade point average of at least a 3.0 (or the equivalent as determined under regulations prescribed by the Secretary) at the end of the most recently completed term.

[(3) PRIORITY FOR SCHOLARSHIPS.—The Governor of a State may set a priority for awarding scholarships under this subsection for students agreeing to work in areas of science, technology, engineering, mathematics, or health-related fields.

[(4) AMOUNT AND DURATION OF SCHOLARSHIP.—The Secretary shall award a grant under this subsection to provide scholarships—

[(A) in an amount that does not exceed $5,000 per student for an academic year; and

[(B) in an aggregate amount that does not exceed $20,000 per student.

[(e) MATCHING REQUIREMENT.—In order to receive a grant under this section, a State shall provide matching funds for the scholarships awarded under this section in an amount equal to 50 percent of the Federal funds received.

[(f) AUTHORIZATION.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

[(g) DEFINITION.—The term "Governor" means the chief executive officer of a State.]

PART A—RONALD V. DELLUMS MEMORIAL STEAM SCHOLARS

SEC. 801. RONALD V. DELLUMS MEMORIAL STEAM SCHOLARS PROGRAM.

(a) PROGRAM AUTHORIZED.—

(1) GRANTS FOR SCHOLARSHIPS.—The Secretary shall award grants under this section to institutions of higher education (as defined in section 101) to provide scholarships to eligible students for the purpose of enabling such students to enter into the STEAM workforce and increasing the number of underrepresented students in STEAM fields.

(2) ELIGIBLE STUDENTS.—A student is eligible for a scholarship under this section if the student—

(A) meets the requirements of section 484(a);

(B) is an at least half-time student who has completed at least the first year of undergraduate study;

(C) is enrolled in a program of undergraduate instruction leading to a bachelor's degree at the institution with a major in a STEAM field; and

(D) has obtained a cumulative grade point average of at least a 3.0 (or the equivalent as determined under regulations prescribed by the Secretary) at the end of the most recently completed term.

(3) PRIORITY FOR SCHOLARSHIPS.—The Secretary shall set a priority for awarding scholarships under this section for students agreeing to work after graduation in a STEAM field.

(4) STUDENTS FROM MINORITY-SERVING INSTITUTIONS AND HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.—The Secretary shall ensure that not fewer than 50 percent of the scholarships awarded under this section are awarded to eligible students who attend historically Black colleges and universities and other minority-serving institutions, including Hispanic-serving institutions, Asian American and Native American Pacific Islander-serving institutions, American Indian Tribally controlled colleges and universities, Alaska Native and Native Hawaiian-serving institutions, Predominantly Black Institutions, and Native American-serving, Nontribal institutions.

(5) AMOUNT AND DURATION OF SCHOLARSHIP.—Scholarship amounts awarded under this section shall not exceed—

(A) $10,000 per student for an academic year; and

(B) $40,000 per student in the aggregate.

(b) MATCHING REQUIREMENT.—In order to receive a grant under this section, an institution of higher education shall provide matching funds for the scholarships awarded under this section in an amount equal to 25 percent of the Federal funds received.

(c) APPLICATION.—An institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Each application shall include a description of how the institution will meet the matching requirement of subsection (b).

(d) REPORTS.—Not later than 2 years after the date on which the first scholarship is awarded under this section, and each academic year thereafter, the Secretary shall submit to the Congress a report containing—

(1) a description and analysis of the demographic information of students who receive scholarships under this section, including information with respect to such students regarding—

(A) race;

(B) ethnicity;

(C) gender; and

(D) eligibility to receive a Pell Grant;

(2) the total number of underrepresented students in STEAM fields who obtain a degree with scholarship funds each year; and

(3) an analysis of the effects of the program on the goals of increasing the number of underrepresented students in STEAM fields and the number of such students who enter into the STEAM workforce.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year 2021 and each of the five succeeding fiscal years.

(f) DEFINITIONS.—For purposes of this section:

(1) The term "minority-serving institution" means an institution eligible to receive assistance under title III or V.

(2) The term "STEAM" means science, technology, engineering, arts, and mathematics.

(3) The term "underrepresented student in STEAM fields" means a student who is a member of a minority group for which the number of individuals in such group who annually receive bachelor's degrees in the STEAM fields per 10,000 individuals in such group is substantially less than the number of white, non-Hispanic individuals who annually receive bachelor's degrees in the STEAM fields per 10,000 such individuals.

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PART [F] *B*—TEACH FOR AMERICA

SEC. 806. TEACH FOR AMERICA.

(a) DEFINITIONS.—For purposes of this section:

(1) GRANTEE.—The term "grantee" means Teach For America, Inc.

(3) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term "high-need local educational agency" has the meaning given such term in section 200.

(b) GRANTS AUTHORIZED.—From the amounts appropriated under subsection (f), the Secretary is authorized to award a five-year grant to Teach For America, Inc., the national teacher corps of outstanding recent college graduates who commit to teach for two years in underserved communities in the United States, to implement and expand its program of recruiting, selecting, training, and supporting new teachers.

(c) REQUIREMENTS.—In carrying out the grant program under subsection (b), the Secretary shall enter into an agreement with the grantee under which the grantee agrees to use the grant funds provided under this section to—

(1) provide teachers who meet the applicableState certification and licensure requirements, includingany requirements for certification obtained through alternativeroutes to certification, or, with regard to specialeducation teachers, the qualifications described in section612(a)(14)(C) of the Individuals with Disabilities EducationAct, to high-need local educational agencies in urban and rural communities;

(2) pay the costs of recruiting, selecting, training, and supporting new teachers; and

(3) serve a substantial number and percentage of underserved students.

(d) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Grant funds provided under this section shall be used by the grantee to carry out each of the following activities:

(A) Recruiting and selecting teachers through a highly selective national process.

(B) Providing preservice training to such teachers through a rigorous summer institute that includes hands-on teaching experience and significant exposure to education coursework and theory.

(C) Placing such teachers in schools and positions designated by high-need local educational agencies as high-need placements serving underserved students.

(D) Providing ongoing professional development activities for such teachers' first two years in the classroom, including regular classroom observations and feedback, and ongoing training and support.

(2) LIMITATION.—The grantee shall use all grant funds received under this section to support activities related directly to the recruitment, selection, training, and support of teachers as described in subsection (b), except that funds may be used for non-programmatic costs in accordance with subsection (f)(2).

(e) REPORTS AND EVALUATIONS.—

(1) ANNUAL REPORT.—The grantee shall provide to the Secretary an annual report that includes—

(A) data on the number and quality of the teachers provided to local educational agencies through a grant under this section;

(B) an externally conducted analysis of the satisfaction of local educational agencies and principals with the teachers so provided; and

(C) comprehensive data on the background of the teachers chosen, the training such teachers received, the placement sites of such teachers, the professional development of such teachers, and the retention of such teachers.

(2) STUDY.—

(A) IN GENERAL.—From funds appropriated under subsection (f), the Secretary shall provide for a study that examines the achievement levels of the students taught by the teachers assisted under this section.

(B) STUDENT ACHIEVEMENT GAINS COMPARED.—The study shall compare, within the same schools, the achievement gains made by students taught by teachers who are assisted under this section with the achievement gains made by students taught by teachers who are not assisted under this section.

(C) REQUIREMENTS.—The Secretary shall provide for such a study not less than once every three years, and each such study shall include multiple placement sites and multiple schools within placement sites.

(D) PEER REVIEW STANDARDS.—Each such study shall meet the peer review standards of the education research community. Further, the peer review standards shall ensure that reviewers are practicing researchers and have expertise in assessment systems, accountability, psychometric measurement and statistics, and instruction.

(3) ACCOUNTING, FINANCIAL REPORTING, AND INTERNAL CONTROL SYSTEMS.—

(A) IN GENERAL.—The grantee shall contract with an independent auditor to conduct a comprehensive review of the grantee's accounting, financial reporting, and internal control systems. Such review shall assess whether that grantee's accounting, financial reporting, and internal control systems are designed to—

(i) provide information that is complete, accurate, and reliable;

(ii) reasonably detect and prevent material misstatements, as well as fraud, waste, and abuse; and

(iii) provide information to demonstrate the grantee's compliance with related Federal programs, as applicable.

(B) REVIEW REQUIREMENTS.—Not later than 90 days after the grantee receives funds to carry out this section for the first fiscal year in which funds become available to carry out this section after the date of enactment of theHigher Education Opportunity Act, the independent auditor shall complete the review required by this paragraph.

(C) REPORT.—Not later than 120 days after the grantee receives funds to carry out this section for the first fiscal year in which funds become available to carry out this section after the date of enactment of theHigher Education

Opportunity Act, the independent auditor shall submit a report to the authorizing committees and the Secretary of the findings of the review required under this paragraph, including any recommendations of the independent auditor, as appropriate, with respect to the grantee's accounting, financial reporting, and internal control systems.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—The amount authorized to be appropriated to carry out this section shall not exceed—

(A) $20,000,000 for fiscal year 2009;

(B) $25,000,000 for fiscal year 2010; and

[(C) such sums as may be necessary for each of the four succeeding fiscal years.]

(C) $30,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

(2) LIMITATION.—The grantee shall not use more than 5 percent of Federal funds made available under this section for non-programmatic costs to carry out this section.

PART [G] *C*—PATSY T. MINK FELLOWSHIP PROGRAM

SEC. [807.] *811.* PATSY T. MINK FELLOWSHIP PROGRAM.

(a) PURPOSE; DESIGNATION.—

(1) IN GENERAL.—It is the purpose of this section to provide, through eligible institutions, a program of fellowship awards to assist highly qualified minorities and women to acquire the doctoral degree, or highest possible degree available, in academic areas in which such individuals are underrepresented for the purpose of enabling such individuals to enter the higher education professoriate.

(2) DESIGNATION.—Each recipient of a fellowship award from an eligible institution receiving a grant under this section shall be known as a "Patsy T. Mink Graduate Fellow".

(b) ELIGIBLE INSTITUTION.—In this section, the term "eligible institution" means an institution of higher education, or a consortium of such institutions, that offers a program of postbaccalaureate study leading to a graduate degree.

(c) PROGRAM AUTHORIZED.—

(1) GRANTS BY SECRETARY.—

(A) IN GENERAL.—From the amounts appropriated under subsection (f), the Secretary shall award grants to eligible institutions to enable such institutions to make fellowship awards to individuals in accordance with the provisions of this section.

(B) PRIORITY CONSIDERATION.—In awarding grants under this section, the Secretary shall consider the eligible institution's prior experience in producing doctoral degree, or highest possible degree available, holders who are minorities and women, and shall give priority consideration in making grants under this section to those eligible institutions with a demonstrated record of producing minorities and women who have earned such degrees.

(2) APPLICATIONS.—

(A) IN GENERAL.—An eligible institution that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(B) APPLICATIONS MADE ON BEHALF.—The following entities may submit an application on behalf of an eligible institution:

(i) A graduate school or department of such institution.

(ii) A graduate school or department of such institution in collaboration with an undergraduate college or school of such institution.

(iii) An organizational unit within such institution that offers a program of postbaccalaureate study leading to a graduate degree, including an interdisciplinary or an interdepartmental program.

(C) PARTNERSHIP.—In developing a grant application and carrying out the grant activities authorized under this section, an eligible institution may partner with a nonprofit organization with a demonstrated record of helping minorities and women earn postbaccalaureate degrees.

(3) SELECTION OF APPLICATIONS.—In awarding grants under paragraph (1), the Secretary shall—

(A) take into account—

(i) the number and distribution of minority and female faculty nationally;

(ii) the current and projected need for highly trained individuals in all areas of the higher education professoriate; and

(iii) the present and projected need for highly trained individuals in academic career fields in which minorities and women are underrepresented in the higher education professoriate; and

(B) consider the need to prepare a large number of minorities and women generally in academic career fields of high national priority, especially in areas in which such individuals are traditionally underrepresented in college and university faculty.

(4) DISTRIBUTION AND AMOUNTS OF GRANTS.—

(A) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall, to the maximum extent feasible, ensure an equitable geographic distribution of awards and an equitable distribution among public and private eligible institutions that apply for grants under this section and that demonstrate an ability to achieve the purpose of this section.

(B) SPECIAL RULE.—To the maximum extent practicable, the Secretary shall use not less than 30 percent of the amount appropriated pursuant to subsection (f) to award grants to eligible institutions that are eligible for assistance under title III or title V, or to consortia of eligible institutions that include at least one eligible institution that is eligible for assistance under title III or title V.

(C) ALLOCATION.—In awarding grants under this section, the Secretary shall allocate appropriate funds to those eli-

gible institutions whose applications indicate an ability to significantly increase the numbers of minorities and women entering the higher education professoriate and that commit institutional resources to the attainment of the purpose of this section.

(D) NUMBER OF FELLOWSHIP AWARDS.—An eligible institution that receives a grant under this section shall make not less than ten fellowship awards.

(E) INSUFFICIENT FUNDS.—If the amount appropriated is not sufficient to permit all grantees under this section to provide the minimum number of fellowships required by subparagraph (D), the Secretary may, after awarding as many grants to support the minimum number of fellowships as such amount appropriated permits, award grants that do not require the grantee to award the minimum number of fellowships required by such subparagraph.

(5) INSTITUTIONAL ALLOWANCE.—

(A) IN GENERAL.—

(i) NUMBER OF ALLOWANCES.—In awarding grants under this section, the Secretary shall pay to each eligible institution awarded a grant, for each individual awarded a fellowship by such institution under this section, an institutional allowance.

(ii) AMOUNT.—Except as provided in subparagraph (C), for academic year 2009–2010 and succeeding academic years, an institutional allowance under this paragraph shall be in an amount equal to the amount of institutional allowance made to an institution of higher education under section 715 for such academic year.

(B) USE OF FUNDS.—Institutional allowances may be expended at the discretion of the eligible institution and may be used to provide, except as prohibited under subparagraph (D), academic support and career transition services for individuals awarded fellowships by such institution.

(C) REDUCTION.—The institutional allowance paid under subparagraph (A) shall be reduced by the amount the eligible institution charges and collects from a fellowship recipient for tuition and other expenses as part of the recipient's instructional program.

(D) USE FOR OVERHEAD PROHIBITED.—Funds made available under this section may not be used for general operational overhead of the academic department or institution receiving funds under this section.

(d) FELLOWSHIP RECIPIENTS.—

(1) AUTHORIZATION.—An eligible institution that receives a grant under this section shall use the grant funds to make fellowship awards to minorities and women who are enrolled at such institution in a doctoral degree program, or program for the highest possible degree available, and—

(A) intend to pursue a career in instruction at—

(i) an institution of higher education (as the term is defined in section 101);

(ii) an institution of higher education (as the term is defined in section 102(a)(1)); and

(iii) a proprietary institution of higher education (as the term is defined in section 102(b)); and

(B) sign an agreement with the Secretary agreeing—

(i) to begin employment at an institution described in subparagraph (A) not later than three years after receiving the doctoral degree or highest possible degree available, which three-year period may be extended by the Secretary for extraordinary circumstances; and

(ii) to be employed by such institution for one year for each year of fellowship assistance received under this section.

(2) REPAYMENT FOR FAILURE TO COMPLY.—In the event that any recipient of a fellowship under this section fails or refuses to comply with the agreement signed pursuant to paragraph (1)(B), the sum of the amounts of any fellowship received by such recipient shall, upon a determination of such a failure or refusal to comply, be treated as a Federal Direct Unsubsidized Stafford Loan under part D of title IV, and shall be subject to repayment, together with interest thereon accruing from the date of the grant award, in accordance with terms and conditions specified by the Secretary in regulations under this section.

(3) WAIVER AND MODIFICATION.—

(A) REGULATIONS.—The Secretary shall promulgate regulations setting forth criteria to be considered in granting a waiver for the service requirement under paragraph (1)(B).

(B) CONTENT.—The criteria under subparagraph (A) shall include whether compliance with the service requirement by the fellowship recipient would be—

(i) inequitable and represent an extraordinary hardship; or

(ii) deemed impossible because the individual is permanently and totally disabled at the time of the waiver request.

(4) AMOUNT OF FELLOWSHIP AWARDS.—Fellowship awards under this section shall consist of a stipend in an amount equal to the level of support provided to fellows under the National Science Foundation Graduate Research Fellowship Program, except that such stipend shall be adjusted as necessary so as not to exceed the fellow's tuition and fees or demonstrated need (as determined by the institution of higher education where the graduate student is enrolled), whichever is greater.

(5) ACADEMIC PROGRESS REQUIRED.—An individual student shall not be eligible to receive a fellowship award—

(A) except during periods in which such student is enrolled, and such student is maintaining satisfactory academic progress in, and devoting essentially full time to, study or research in the pursuit of the degree for which the fellowship support was awarded; and

(B) if the student is engaged in gainful employment, other than part-time employment in teaching, research, or similar activity determined by the eligible institution to be

consistent with and supportive of the student's progress toward the appropriate degree.

(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require an eligible institution that receives a grant under this section—

(1) to grant a preference to or to differentially treat any applicant for a faculty position as a result of the institution's participation in the program under this section; or

(2) to hire a Patsy T. Mink Fellow who completes this program and seeks employment at such institution.

[(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.]

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

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PART [J] *D*—IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS

SEC. [819.] *816.* IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON [ALASKA NATIVE AND NATIVE HAWAIIAN] *NATIVE AMERICAN* STUDENTS.

(a) PURPOSE.—The purposes of this section are—

(1) to develop or expand programs for the development of professionals in the fields of science, technology, engineering, and mathematics; and

(2) to focus resources on meeting the educational and cultural needs of [Alaska Natives and Native Hawaiians] *American Indians, Alaska Natives, Native Hawaiians and other Native American Pacific Islanders to enable them to succeed in these fields*.

(b) DEFINITIONS.—In this section:

[(1)] *(2)* ALASKA NATIVE.—The term "Alaska Native" has the meaning given such term in section 6306 of the Elementary and Secondary Education Act of 1965.

* * * * * * *

(1) NATIVE AMERICAN.—The term "Native American" includes Alaska Natives, American Indians, Native Hawaiians and Native American Pacific Islanders.

(3) AMERICAN INDIAN.—The term "American Indian" has the meaning given the term "Indian" in section 202 of the Indian Land Consolidation Act (25 U.S.C. 2201).

[(2)] *(4)* ELIGIBLE PARTNERSHIP.—The term "eligible partnership" means a partnership that includes—

(A) one or more colleges, schools, or departments of engineering;

(B) one or more colleges of science or mathematics;

(C) one or more institutions of higher education that offer two-year degrees; and

(D) one or more private entities that—

(i) conduct career awareness activities showcasing local technology professionals;

(ii) encourage students to pursue education in science, technology, engineering, and mathematics from elementary school through postsecondary education, and careers in those fields, with the assistance of local technology professionals;

(iii) develop internships, apprenticeships, and mentoring programs in partnership with relevant industries; and

(iv) assist with placement of interns and apprentices.

[(3)] *(5)* INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term in section 101(a).

[(4)] *(6)* NATIVE HAWAIIAN.—The term "Native Hawaiian" has the meaning given the term in section 6207 of the Elementary and Secondary Education Act of 1965.

(c) GRANT AUTHORIZED.—From the amounts appropriated to carry out this section under subsection (i), the Secretary is authorized to award a grant to an eligible partnership to enable the eligible partnership to *create or* expand programs for the development of *Native American* science, technology, engineering, or mathematics professionals, from elementary school through postsecondary education[, including existing programs for Alaska Native and Native Hawaiian students].

(d) USES OF FUNDS.—Grant funds under this section shall be used for one or more of the following:

(1) Development or implementation of cultural, social, or educational transition programs to assist students to transition into college life and academics in order to increase such students' retention rates in the fields of science, technology, engineering, or mathematics, with a focus on [Alaska Native or Native Hawaiian students] *programs that serve Native American students*.

(2) Development or implementation of academic support or supplemental educational programs to increase the graduation rates of students in the fields of science, technology, engineering, or mathematics, with a focus on [Alaska Native and Native Hawaiian students] *programs that serve Native American students*.

(3) Development or implementation of internship programs, carried out in coordination with educational institutions and private entities, to prepare students for careers in the fields of science, technology, engineering, or mathematics, with a focus on programs that serve [Alaska Native or Native Hawaiian students] *Native American students*.

(4) Such other activities as are consistent with the purpose of this section.

(e) APPLICATION.—Each eligible partnership that desires a grant under this section shall submit an application to the Secretary at

such time, in such manner, and containing such information as the Secretary may require.

(f) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to an eligible partnership that, on the day before the date of enactment of theHigher Education Opportunity Act, provides one or more programs in which [30 percent or more of the program participants are Alaska Native or Native Hawaiian] *30 percent or more of the program participants are Native American*.

(g) PERIOD OF GRANT.—A grant under this section shall be awarded for a period of five years.

(h) EVALUATION AND REPORT.—Each eligible partnership that receives a grant under this section shall conduct an evaluation to determine the effectiveness of the programs funded under the grant and shall provide a report regarding the evaluation to the Secretary not later than six months after the end of the grant period.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated [to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years] *$5,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years*.

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[PART L—STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT

[SEC. 821. STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT.

[(a) GRANTS AUTHORIZED.—

[(1) IN GENERAL.—From the amounts appropriated under subsection (f), the Secretary is authorized to award grants, on a competitive basis, to institutions of higher education or consortia of institutions of higher education to enable institutions of higher education or consortia to pay the Federal share of the cost of carrying out the authorized activities described in subsection (c).

[(2) CONSULTATION WITH THE ATTORNEY GENERAL AND THE SECRETARY OF HOMELAND SECURITY.—Where appropriate, the Secretary shall award grants under this section in consultation with the Attorney General and the Secretary of Homeland Security.

[(3) DURATION.—The Secretary shall award each grant under this section for a period of two years.

[(4) LIMITATION ON INSTITUTIONS AND CONSORTIA.—An institution of higher education or consortium shall be eligible for only one grant under this section.

[(b) FEDERAL SHARE; NON-FEDERAL SHARE.—

[(1) IN GENERAL.—The Federal share of the activities described in subsection (c) shall be 50 percent.

[(2) NON-FEDERAL SHARE.—An institution of higher education or consortium that receives a grant under this section shall provide the non-Federal share, which may be provided from State and local resources dedicated to emergency preparedness and response.

[(c) AUTHORIZED ACTIVITIES.—Each institution of higher education or consortium receiving a grant under this section may use the grant funds to carry out one or more of the following:

[(1) Developing and implementing a state-of-the-art emergency communications system for each campus of an institution of higher education or consortium, in order to contact students via cellular, text message, or other state-of-the-art communications methods when a significant emergency or dangerous situation occurs. An institution or consortium using grant funds to carry out this paragraph shall also, in coordination with the appropriate State and local emergency management authorities—

[(A) develop procedures that students, employees, and others on a campus of an institution of higher education or consortium will be directed to follow in the event of a significant emergency or dangerous situation; and

[(B) develop procedures the institution of higher education or consortium shall follow to inform, in a reasonable and timely manner, students, employees, and others on a campus in the event of a significant emergency or dangerous situation, which procedures shall include the emergency communications system described in this paragraph.

[(2) Supporting measures to improve safety at the institution of higher education or consortium, such as—

[(A) security assessments;

[(B) security training of personnel and students at the institution of higher education or consortium;

[(C) where appropriate, coordination of campus preparedness and response efforts with local law enforcement, local emergency management authorities, and other agencies, to improve coordinated responses in emergencies among such entities;

[(D) establishing a hotline that allows a student or staff member at an institution or consortium to report another student or staff member at the institution or consortium who the reporting student or staff member believes may be a danger to the reported student or staff member or to others; and

[(E) acquisition and installation of access control, video surveillance, intrusion detection, and perimeter security technologies and systems.

[(3) Coordinating with appropriate local entities for the provision of mental health services for students and staff of the institution of higher education or consortium, including mental health crisis response and intervention services for students and staff affected by a campus or community emergency.

[(d) APPLICATION.—Each institution of higher education or consortium desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

[(e) TECHNICAL ASSISTANCE.—The Secretary shall coordinate technical assistance provided by State and local emergency management agencies, the Department of Homeland Security, and other agencies as appropriate, to institutions of higher education or

consortia that request assistance in developing and implementing the activities assisted under this section.

[(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

[SEC. 822. MODEL EMERGENCY RESPONSE POLICIES, PROCEDURES, AND PRACTICES.

[The Secretary, in consultation with the Attorney General and the Secretary of Homeland Security, shall continue to—

[(1) advise institutions of higher education on model emergency response policies, procedures, and practices; and

[(2) disseminate information concerning those policies, procedures, and practices.

[SEC. 823. PREPARATION FOR FUTURE DISASTERS PLAN BY THE SECRETARY.

[The Secretary shall continue to coordinate with the Secretary of Homeland Security and other appropriate agencies to develop and maintain procedures to address the preparedness, response, and recovery needs of institutions of higher education in the event of a natural or manmade disaster with respect to which the President has declared a major disaster or emergency (as such terms are defined in section 824).

[SEC. 824. EDUCATION DISASTER AND EMERGENCY RELIEF LOAN PROGRAM.

[(a) PROGRAM AUTHORIZED.—The Secretary, in consultation with the Secretary of Homeland Security, is authorized to establish an Education Disaster and Emergency Relief Loan Program for institutions of higher education impacted by a major disaster or emergency declared by the President.

[(b) USE OF ASSISTANCE.—The Secretary shall, subject to the availability of appropriations, provide loans under this section to institutions of higher education after the declaration of a major disaster or emergency by the President. Loan funds provided under this section may be used for construction, replacement, renovation, and operations costs resulting from a major disaster or emergency declared by the President.

[(c) APPLICATION REQUIREMENTS.—To be considered for a loan under this section, an institution of higher education shall—

[(1) submit a financial statement and other appropriate data, documentation, or evidence requested by the Secretary that indicates that the institution incurred losses resulting from the impact of a major disaster or emergency declared by the President, and the monetary amount of such losses;

[(2) demonstrate that the institution had appropriate insurance policies prior to the major disaster or emergency and filed claims, as appropriate, related to the major disaster or emergency; and

[(3) demonstrate that the institution attempted to minimize the cost of any losses by pursuing collateral source compensation from the Federal Emergency Management Agency prior to seeking a loan under this section, except that an institution of higher education shall not be required to receive collateral

source compensation from the Federal Emergency Management Agency prior to being eligible for a loan under this section.

[(d) AUDIT.—The Secretary may audit a financial statement submitted under subsection (c) and an institution of higher education shall provide any information that the Secretary determines necessary to conduct such an audit.

[(e) REDUCTION IN LOAN AMOUNTS.—To determine the amount of a loan to make available to an institution of higher education under this section, the Secretary shall calculate the monetary amount of losses incurred by such institution as a result of a major disaster or emergency declared by the President, and shall reduce such amount by the amount of collateral source compensation the institution has already received from insurance, the Federal Emergency Management Agency, and the Small Business Administration.

[(f) ESTABLISHMENT OF LOAN PROGRAM.—Prior to disbursing any loans under this section, the Secretary shall prescribe regulations that establish the Education Disaster and Emergency Relief Loan Program, including—

[(1) terms for the loan program;

[(2) procedures for an application for a loan;

[(3) minimum requirements for the loan program and for receiving a loan, including—

[(A) online forms to be used in submitting a request for a loan;

[(B) information to be included in such forms; and

[(C) procedures to assist in filing and pursuing a loan; and

[(4) any other terms and conditions the Secretary may prescribe after taking into consideration the structure of other existing capital financing loan programs under this Act.

[(g) DEFINITIONS.—In this section:

[(1) INSTITUTION AFFECTED BY A GULF HURRICANE DISASTER.—The term "institution affected by a Gulf hurricane disaster" means an institution of higher education that—

[(A) is located in an area affected by a Gulf hurricane disaster; and

[(B) is able to demonstrate that the institution—

[(i) incurred physical damage resulting from the impact of a Gulf hurricane disaster; and

[(ii) was not able to fully reopen in existing facilities or to fully reopen to the pre-hurricane levels for 30 days or more on or after August 29, 2005.

[(2) AREA AFFECTED BY A GULF HURRICANE DISASTER; GULF HURRICANE DISASTER.—The terms "area affected by a Gulf hurricane disaster" and "Gulf hurricane disaster" have the meanings given such terms in section 209 of the Higher Education Hurricane Relief Act of 2005 (Public Law 109–148, 119 Stat. 2808).

[(3) EMERGENCY.—The term "emergency" has the meaning given such term in section 102(1) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(1)).

[(4) INSTITUTIONS OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term in section 101.

[(5) MAJOR DISASTER.—The term "major disaster" has the meaning given the term in section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)).

[(h) EFFECTIVE DATE.—Loans provided to institutions of higher education pursuant to this section shall be available only with respect to major disasters or emergencies declared by the President that occur after the date of the enactment of theHigher Education Opportunity Act, except that loans may be provided pursuant to this section to an institution affected by a Gulf hurricane disaster with respect to such disaster.

[(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.

[SEC. 825. GUIDANCE ON MENTAL HEALTH DISCLOSURES FOR STUDENT SAFETY.

[(a) GUIDANCE.—The Secretary shall continue to provide guidance that clarifies the role of institutions of higher education with respect to the disclosure of education records, including to a parent or legal guardian of a dependent student, in the event that such student demonstrates that the student poses a significant risk of harm to himself or herself or to others, including a significant risk of suicide, homicide, or assault. Such guidance shall further clarify that an institution of higher education that, in good faith, discloses education records or other information in accordance with the requirements of this Act and section 444 of the General Education Provisions Act (commonly known as the "Family Educational Rights and Privacy Act of 1974") shall not be liable to any person for that disclosure.

[(b) INFORMATION TO CONGRESS.—The Secretary shall provide an update to the authorizing committees on the Secretary's activities under subsection (a) not later than 180 days after the date of enactment of theHigher Education Opportunity Act.

[SEC. 826. RULE OF CONSTRUCTION.

[Nothing in this part shall be construed—

[(1) to provide a private right of action to any person to enforce any provision of this section;

[(2) to create a cause of action against any institution of higher education or any employee of the institution for any civil liability; or

[(3) to affect section 444 of the General Education Provisions Act (commonly known as the "Family Educational Rights and Privacy Act of 1974") or the regulations issued under section 264 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2note).]

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PART [Q] *E*—RURAL DEVELOPMENT GRANTS FOR RURAL-SERVING COLLEGES AND UNIVERSITIES

SEC. [861.] *821.* GRANTS TO RURAL-SERVING INSTITUTIONS OF HIGHER EDUCATION.

(a) PURPOSES.—The purposes of this section are—

(1) to increase enrollment and graduation rates of secondary school graduates and nontraditional students from rural areas at two-year and four-year institutions of higher education, and their articulation from two-year degree programs into four-year degree programs; and

(2) to promote economic growth and development in rural America through partnership grants to consortia of rural-serving institutions of higher education, local educational agencies, and regional employers.

(b) DEFINITIONS.—For the purposes of this section:

(1) RURAL-SERVING INSTITUTION OF HIGHER EDUCATION.—The term "rural-serving institution of higher education" means an institution of higher education that primarily serves rural areas.

(2) RURAL AREA.—The term "rural area" means an area that is defined, identified, or otherwise recognized as rural by a governmental agency of the State in which the area is located.

(3) NONTRADITIONAL STUDENT.—The term "nontraditional student" means an individual who—

(A) delays enrollment in an institution of higher education by three or more years after secondary school graduation;

(B) attends an institution of higher education part-time; or

(C) attends an institution of higher education and—

(i) works full-time;

(ii) is an independent student, as defined in section 480;

(iii) has one or more dependents other than a spouse;

(iv) is a single parent; or

(v) does not have a secondary school diploma or the recognized equivalent of such a diploma.

(4) REGIONAL EMPLOYER.—The term "regional employer" means an employer within a rural area.

(c) PARTNERSHIP.—

(1) REQUIRED PARTNERS.—A rural-serving institution of higher education, or a consortium of rural-serving institutions of higher education, that receives a grant under this section shall carry out the activities of the grant in partnership with—

(A) one or more local educational agencies serving a rural area; and

(B) one or more regional employers or local boards (as such term is defined in section 3 of the Workforce Innovation and Opportunity Act) serving a rural area.

(2) OPTIONAL PARTNERS.—A rural-serving institution of higher education, or a consortium of rural-serving institutions of

higher education, that receives a grant under this section, may carry out the activities of the grant in partnership with—

(A) an educational service agency (as defined in section 8101 of the Elementary and Secondary Education Act of 1965); or

(B) a nonprofit organization with demonstrated expertise in rural education at the secondary and postsecondary levels.

(d) GRANTS AUTHORIZED.—

(1) IN GENERAL.—From amounts made available under subsection (g), the Secretary is authorized to award grants, on a competitive basis, to eligible rural-serving institutions of higher education or a consortium of such institutions, to carry out the activities described in subsection (f).

(2) DURATION.—A grant awarded under this section shall be awarded for a period not to exceed three years.

(3) MAXIMUM AND MINIMUM GRANTS.—No grant awarded under this section shall be less than $200,000.

(4) SPECIAL CONSIDERATIONS.—In awarding grants under this section, the Secretary shall give special consideration to applications that demonstrate the most potential and propose the most promising and innovative approaches for—

(A) increasing the percentage of graduates of rural secondary schools attending rural-serving institutions of higher education;

(B) meeting the employment needs of regional employers with graduates of rural-serving institutions of higher education; and

(C) improving the health of the regional economy of a rural area through a partnership of local educational agencies serving the rural area, rural-serving institutions of higher education, and regional employers.

(5) LIMITATION.—A rural-serving institution of higher education shall not receive more than one grant under this section.

(e) APPLICATIONS.—Each rural-serving institution of higher education desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

(f) REQUIRED USE OF FUNDS.—A rural-serving institution of higher education that receives a grant under this section shall use grant funds for at least three of the following four purposes:

(1) To improve postsecondary enrollment rates for rural secondary school students at rural-serving institutions of higher education, which may include—

(A) programs to provide students and families with counseling related to applying for postsecondary education, and Federal and State financial assistance for postsecondary education;

(B) programs that provide students and families of rural high schools access and exposure to campuses, classes, programs, and internships of rural-serving institutions of higher education, including covering the cost of transportation to and from such institutions; and

(C) other initiatives that assist students and families in applying for and developing interest in attending rural-serving institutions of higher education.

(2) To increase enrollment rates of nontraditional students in degree programs at rural-serving institutions of higher education, which may include—

(A) programs to provide nontraditional students with counseling related to applying for postsecondary education, and Federal and State financial assistance for postsecondary education;

(B) community outreach initiatives to encourage nontraditional students to enroll in a rural-serving institution of higher education; and

(C) programs to improve the enrollment of nontraditional students in two-year degree programs and the transition of nontraditional students articulating from two-year degree programs to four-year degree programs.

(3) To create or strengthen academic programs at rural-serving institutions of higher education to prepare graduates to enter into high-need occupations in the regional and local economies.

(4) To provide additional career training to students of rural-serving institutions of higher education in fields relevant to the regional economy.

[(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as many be necessary for fiscal year 2009 and each of the five succeeding fiscal years.]

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

[PART R—CAMPUS-BASED DIGITAL THEFT PREVENTION

[SEC. 871. CAMPUS-BASED DIGITAL THEFT PREVENTION.

[(a) PROGRAM AUTHORITY.—From the amounts appropriated under subsection (d), the Secretary may make grants to institutions of higher education, or consortia of such institutions, and enter into contracts with such institutions, consortia, and other organizations, to develop, implement, operate, improve, and disseminate programs of prevention, education, and cost-effective technological solutions, to reduce and eliminate the illegal downloading and distribution of intellectual property. Such grants or contracts may also be used for the support of higher education centers that will provide training, technical assistance, evaluation, dissemination, and associated services and assistance to the higher education community as determined by the Secretary and institutions of higher education.

[(b) AWARDS.—Grants and contracts shall be awarded under this section on a competitive basis.

[(c) APPLICATIONS.—An institution of higher education or a consortium of such institutions that desires to receive a grant or contract under this section shall submit an application to the Secretary at such time, in such manner, and containing or accom-

panied by such information as the Secretary may reasonably require by regulation.

[(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.]

PART [S] *F*—TRAINING FOR REALTIME WRITERS

SEC. [872.] *826.* PROGRAM TO PROMOTE TRAINING AND JOB PLACEMENT OF REALTIME WRITERS.

(a) AUTHORIZATION OF GRANT PROGRAM.—

(1) IN GENERAL.—From the amounts appropriated to carry out this section, the Secretary shall award grants, on a competitive basis, to eligible entities under paragraph (2) to promote training and placement of individuals, including individuals who have completed a court reporting training program, as realtime writers in order to meet the requirements for closed captioning of video programming set forth in section 713 of the Communications Act of 1934 (47 U.S.C. 613) and the rules prescribed thereunder.

(2) ELIGIBLE ENTITIES.—For purposes of this section, an eligible entity is a court reporting program that—

(A) has a curriculum capable of training realtime writers qualified to provide captioning services;

(B) is accredited by an accrediting agency or association recognized by the Secretary; and

(C) is participating in student aid programs under title IV.

(3) PRIORITY IN GRANTS.—In determining whether to make grants under this section, the Secretary shall give a priority to eligible entities that, as determined by the Secretary—

(A) possess the most substantial capability to increase their capacity to train realtime writers;

(B) demonstrate the most promising collaboration with educational institutions, businesses, labor organizations, or other community groups having the potential to train or provide job placement assistance to realtime writers; or

(C) propose the most promising and innovative approaches for initiating or expanding training or job placement assistance efforts with respect to realtime writers.

(4) DURATION OF GRANT.—A grant under this section shall be for a period of up to five years.

(5) MAXIMUM AMOUNT OF GRANT.—The amount of a grant provided under this subsection to an eligible entity may not exceed $1,500,000 for the period of the grant.

(b) APPLICATION.—

(1) IN GENERAL.—To receive a grant under subsection (a), an eligible entity shall submit an application to the Secretary at such time and in such manner as the Secretary may require. The application shall contain the information set forth under paragraph (2).

(2) INFORMATION.—Information in the application of an eligible entity for a grant under subsection (a) shall include the following:

(A) A description of the training and assistance to be funded using the grant amount, including how such training and assistance will increase the number of realtime writers.

(B) A description of performance measures to be utilized to evaluate the progress of individuals receiving such training and assistance in matters relating to enrollment, completion of training, and job placement and retention.

(C) A description of the manner in which the eligible entity will ensure that recipients of scholarships, if any, funded by the grant will be employed and retained as realtime writers.

(D) A description of the manner in which the eligible entity intends to continue providing the training and assistance to be funded by the grant after the end of the grant period, including any partnerships or arrangements established for that purpose.

(E) A description of how the eligible entity will work with local boards (as defined in section 3 of the Workforce Innovation and Opportunity Act) to ensure that training and assistance to be funded with the grant will further local workforce goals, including the creation of educational opportunities for individuals who are from economically disadvantaged backgrounds or are displaced workers.

(F) Additional information, if any, on the eligibility of the eligible entity for priority in the making of grants under subsection (a)(3).

(G) Such other information as the Secretary may require.

(c) USE OF FUNDS.—

(1) IN GENERAL.—An eligible entity receiving a grant under subsection (a) shall use the grant amount for purposes relating to the recruitment, training and assistance, and job placement of individuals, including individuals who have completed a court reporting training program, as realtime writers, including—

(A) recruitment;

(B) subject to paragraph (2), the provision of scholarships;

(C) distance learning;

(D) further developing and implementing both English and Spanish curricula to more effectively train individuals in realtime writing skills, and education in the knowledge necessary for the delivery of high quality closed captioning services;

(E) mentoring students to ensure successful completion of the realtime training and providing assistance in job placement;

(F) encouraging individuals with disabilities to pursue a career in realtime writing; and

(G) the employment and payment of personnel for the purposes described in this paragraph.

(2) SCHOLARSHIPS.—

(A) AMOUNT.—The amount of a scholarship under paragraph (1)(B) shall be based on the amount of need of the scholarship recipient for financial assistance, as determined in accordance with part F of title IV.

(B) AGREEMENT.—Each recipient of a scholarship under paragraph (1)(B) shall enter into an agreement with the school in which the recipient is enrolled to provide realtime writing services for the purposes described in subsection (a)(1) for a period of time appropriate (as determined by the Secretary) for the amount of the scholarship received.

(C) COURSEWORK AND EMPLOYMENT.—The Secretary shall establish requirements for coursework and employment for recipients of scholarships under paragraph (1)(B), including requirements for repayment of scholarship amounts in the event of failure to meet such requirements for coursework and employment. The Secretary may waive, in whole or in part, the requirements for repayment of scholarship amounts on the basis of economic conditions which may affect the ability of scholarship recipients to find work as realtime writers.

(3) ADMINISTRATIVE COSTS.—The recipient of a grant under this section may not use more than five percent of the grant amount to pay administrative costs associated with activities funded by the grant. The Secretary shall use not more than five percent of the amount available for grants under this section in any fiscal year for administrative costs of the program.

(4) SUPPLEMENT NOT SUPPLANT.—Grant amounts under this section shall supplement and not supplant other Federal or non-Federal funds of the grant recipient for purposes of promoting the training and placement of individuals as realtime writers.

(d) REPORT.—

(1) IN GENERAL.—Each eligible entity receiving a grant under subsection (a) shall submit to the Secretary, at the end of the grant period, a report on the activities of such entity with respect to the use of grant amounts during the grant period.

(2) REPORT INFORMATION.—Each report of an eligible entity under paragraph (1) shall include—

(A) an assessment by the entity of the effectiveness of activities carried out using such funds in increasing the number of realtime writers, using the performance measures submitted by the eligible entity in the application for the grant under subsection (b)(2); and

(B) a description of the best practices identified by the eligible entity for increasing the number of individuals who are trained, employed, and retained in employment as realtime writers.

(3) SUMMARIES.—The Secretary shall summarize the reports submitted under paragraph (2) and make such summary available on the Department's website.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be nec-

essary for fiscal year [2009] *2021* and each of the five succeeding fiscal years.

[PART [T] *G*—CENTERS OF EXCELLENCE FOR VETERAN STUDENT SUCCESS

[SEC. 873. MODEL PROGRAMS FOR CENTERS OF EXCELLENCE FOR VETERAN STUDENT SUCCESS.

[(a) PURPOSE.—It is the purpose of this section to encourage model programs to support veteran student success in postsecondary education by coordinating services to address the academic, financial, physical, and social needs of veteran students.

[(b) GRANTS AUTHORIZED.—

[(1) IN GENERAL.—Subject to the availability of appropriations under subsection (f), the Secretary shall award grants to institutions of higher education to develop model programs to support veteran student success in postsecondary education.

[(2) GRANT PERIOD.—A grant awarded under this section shall be awarded for a period of three years.

[(c) USE OF GRANTS.—

[(1) REQUIRED ACTIVITIES.—An institution of higher education receiving a grant under this section shall use such grant to carry out a model program that includes—

[(A) establishing a Center of Excellence for Veteran Student Success on the campus of the institution to provide a single point of contact to coordinate comprehensive support services for veteran students;

[(B) establishing a veteran student support team, including representatives from the offices of the institution responsible for admissions, registration, financial aid, veterans benefits, academic advising, student health, personal or mental health counseling, career advising, disabilities services, and any other office of the institution that provides support to veteran students on campus;

[(C) providing a coordinator whose primary responsibility is to coordinate the model program carried out under this section;

[(D) monitoring the rates of veteran student enrollment, persistence, and completion; and

[(E) developing a plan to sustain the Center of Excellence for Veteran Student Success after the grant period.

[(2) OTHER AUTHORIZED ACTIVITIES.—An institution of higher education receiving a grant under this section may use such grant to carry out any of the following activities with respect to veteran students:

[(A) Outreach and recruitment of such students.

[(B) Supportive instructional services for such students, which may include—

[(i) personal, academic, and career counseling, as an ongoing part of the program;

[(ii) tutoring and academic skill-building instruction assistance, as needed; and

[(iii) assistance with special admissions and transfer of credit from previous postsecondary education or experience.

[(C) Assistance in obtaining student financial aid.

[(D) Housing support for veteran students living in institutional facilities and commuting veteran students.

[(E) Cultural events, academic programs, orientation programs, and other activities designed to ease the transition to campus life for veteran students.

[(F) Support for veteran student organizations and veteran student support groups on campus.

[(G) Coordination of academic advising and admissions counseling with military bases and national guard units in the area.

[(H) Other support services the institution determines to be necessary to ensure the success of veterans in achieving educational and career goals.

[(d) APPLICATION; SELECTION.—

[(1) APPLICATION.—To be considered for a grant under this section, an institution of higher education shall submit to the Secretary an application at such time, in such manner, and accompanied by such information as the Secretary may require.

[(2) SELECTION CONSIDERATIONS.—In awarding grants under this section, the Secretary shall consider—

[(A) the number of veteran students enrolled at an institution of higher education; and

[(B) the need for model programs to address the needs of veteran students at a wide range of institutions of higher education, including the need to provide—

[(i) an equitable distribution of such grants to institutions of higher education of various types and sizes;

[(ii) an equitable geographic distribution of such grants; and

[(iii) an equitable distribution of such grants among rural and urban areas.

[(e) EVALUATION AND ACCOUNTABILITY PLAN.—The Secretary shall develop an evaluation and accountability plan for model programs funded under this section to objectively measure the impact of such programs, including a measure of whether postsecondary education enrollment, persistence, and completion for veterans increases as a result of such programs.

[(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2009 and each of the five succeeding fiscal years.]

PART G—GRANTS FOR VETERAN STUDENT CENTERS

SEC. 831. GRANTS FOR VETERAN STUDENT CENTERS.

(a) GRANTS AUTHORIZED.—Subject to the availability of appropriations under subsection (i), the Secretary shall award grants to institutions of higher education or consortia of institutions of higher education to assist in the establishment, maintenance, improvement, and operation of Veteran Student Centers. The Secretary shall award not more than 30 grants in a fiscal year under this section.

(b) ELIGIBILITY.—

(1) APPLICATION.—An institution or consortium seeking a grant under subsection (a) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(2) CRITERIA.—The Secretary may award a grant under subsection (a) to an institution or a consortium if the institution or consortium meets each of the following criteria:

(A) The institution or consortium enrolls in undergraduate or graduate courses—

(i) a significant number of veteran students, members of the Armed Forces serving on active duty, and members of a reserve component of the Armed Forces; or

(ii) a significant percentage of veteran students, as measured by comparing the overall enrollment of the institution or consortium to the number, for the most recent academic year for which data are available, of veteran students, members of the Armed Forces serving on active duty, and members of a reserve component of the Armed Forces who are enrolled in undergraduate or graduate courses at the institution or consortium.

(B) The institution or consortium presents a sustainability plan to demonstrate that the Veteran Student Center of such institution or consortium will be maintained and will continue operations upon conclusion of the grant period under subsection (a).

(3) ADDITIONAL CRITERIA.—

(A) MANDATORY CONSIDERATIONS.—In awarding grants under subsection (a), the Secretary shall consider institutions or consortia representing a broad spectrum of sectors and sizes, including institutions or consortia from urban, suburban, and rural regions of the United States.

(B) DISCRETIONARY CRITERIA.—In awarding grants under subsection (a), the Secretary may provide consideration to institutions or consortia that meet one or more of the following criteria:

(i) The institution or consortium is located in a region or community that has a significant population of veterans.

(ii) The institution or consortium carries out programs or activities that assist veterans in the local community and the spouses of veteran students.

(iii) The institution or consortium partners in its veteran-specific programming with nonprofit veteran service organizations, local workforce development organizations, or institutions of higher education.

(iv) The institution or consortium commits to hiring staff at the Veteran Student Center that includes veterans (including veteran student volunteers and veteran students participating in a Federal work-study program under part C of title IV, a work-study program administered by the Secretary of Veteran Affairs, or a State work-study program).

(v) The institution or consortium commits to using a portion of the grant received under this section to de-

velop and implement an early-warning veteran student retention program designed to alert staff at the Veteran Student Center that a veteran student may be facing difficulties that could lead to the non-completion of the course of study of such veteran.

(vi) The institution or consortium commits to providing mental health counseling to its veteran students and their spouses.

(vii) The institution or consortium carries out programs or activities that assist individuals pursuing a course of education using educational assistance under chapter 31 of title 38, United States Code.

(c) USE OF FUNDS.—

(1) IN GENERAL.—An institution or consortium that is awarded a grant under subsection (a) shall use such grant to establish, maintain, improve, or operate a Veteran Student Center.

(2) OTHER ALLOWABLE USES.—An institution or consortium receiving a grant under subsection (a) may use a portion of such funds to carry out supportive instruction services for student veterans, including—

(A) assistance with special admissions and transfer of credit from previous postsecondary education or experience; and

(B) any other support services the institution or consortium determines to be necessary to ensure the success of veterans on campus in achieving education and career goals.

(d) AMOUNTS AWARDED.—

(1) DURATION.—Each grant awarded under subsection (a) shall be for a 4-year period.

(2) TOTAL AMOUNT OF GRANT AND SCHEDULE.—Each grant awarded under subsection (a) may not exceed a total of $500,000. The Secretary shall disburse to an institution or consortium the amounts awarded under the grant in such amounts and at such times during the grant period as the Secretary determines appropriate.

(e) REPORT.—From the amounts appropriated to carry out this section, and not later than 3 years after the date on which the first grant is awarded under subsection (a), the Secretary shall submit to Congress a report on the grant program established under subsection (a), including—

(1) the number of grants awarded;

(2) the institutions of higher education and consortia that have received grants;

(3) with respect to each such institution of higher education and consortium—

(A) the amounts awarded;

(B) how such institution or consortium used such amounts;

(C) a description of the students to whom services were offered as a result of the award; and

(D) data enumerating whether the use of the amounts awarded helped veteran students at the institution or consortium toward completion of a degree, certificate, or credential;

(4) best practices for veteran student success, identified by reviewing data provided by institutions and consortia that received a grant under this section; and

(5) a determination by the Secretary with respect to whether the grant program under this section should be extended or expanded.

(f) TERMINATION.—The authority of the Secretary to carry out the grant program established under subsection (a) shall terminate on the date that is 4 years after the date on which the first grant is awarded under subsection (a).

(g) DEPARTMENT OF EDUCATION BEST PRACTICES WEBSITE.—Subject to the availability of appropriations under subsection (i) and not later than 3 years after the date on which the first grant is awarded under subsection (a), the Secretary shall develop and implement a website for veteran student services at institutions of higher education, which details best practices for serving veteran students at institutions of higher education.

(h) DEFINITIONS.—In this section:

(1) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101.

(2) VETERAN STUDENT CENTER.—The term "Veteran Student Center" means a dedicated space on a campus of an institution of higher education that provides students who are veterans or members of the Armed Forces with the following:

(A) A lounge or meeting space for such veteran students, their spouses or partners, and veterans in the community.

(B) A centralized office for veteran services that—

(i) is a single point of contact to coordinate comprehensive support services for veteran students;

(ii) is staffed by trained employees and volunteers, which includes veterans and at least one full-time employee or volunteer who is trained as a veterans' benefits counselor;

(iii) provides veteran students with assistance relating to—

(I) transitioning from the military to student life;

(II) transitioning from the military to the civilian workforce;

(III) networking with other veteran students and veterans in the community;

(IV) understanding and obtaining benefits provided by the institution of higher education, Federal Government, and State for which such students may be eligible;

(V) understanding how to succeed in the institution of higher education, including by understanding academic policies, the course selection process, and institutional policies and practices related to the transfer of academic credits; and

(VI) understanding their disability-related rights and protections under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

(iv) provides comprehensive academic and tutoring services for veteran students, including peer-to-peer tutoring and academic mentorship.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part $15,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

PART [U] *H*—UNIVERSITY SUSTAINABILITY PROGRAMS

SEC. [881.] *836.* SUSTAINABILITY PLANNING GRANTS AUTHORIZED.

(a) PROGRAM AUTHORIZED.—

[(1) IN GENERAL.—From the amounts appropriated to carry out this section, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall make grants to eligible entities to establish sustainability programs to design and implement sustainability practices, including in the areas of energy management, greenhouse gas emissions reductions, green building, waste management, purchasing, transportation, and toxics management, and other aspects of sustainability that integrate campus operations with multidisciplinary academic programs and are applicable to the private and government sectors.]

(1) IN GENERAL.—From the amounts appropriated to carry out this section, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall make grants to eligible entities to establish sustainability programs to design and implement the teaching and practice of sustainability, including in the areas of staff and faculty professional development, energy management, greenhouse gas emissions reductions, green building, waste management, transportation, resilience, green workforce, and other aspects of sustainability that integrate the local community with multidisciplinary academic programs and are applicable to the private and Government sectors.

(2) PERIOD OF GRANT.—The provision of payments under a grant under paragraph (1) shall extend over a period of not more than four fiscal years.

(3) DEFINITION OF ELIGIBLE ENTITY.—For purposes of this part, the term "eligible entity" means—

(A) an institution of higher education; or

[(B) a nonprofit consortium, association, alliance, or collaboration operating in partnership with one or more institutions of higher education that received funds for the implementation of work associated with sustainability programs under this part.]

(B) a nonprofit consortium, association, alliance, or collaboration operating in partnership with more than one institution of higher education.

(b) APPLICATIONS.—

(1) IN GENERAL.—To receive a grant under subsection (a)(1), an eligible entity shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may reasonably require.

(2) ASSURANCES.—Such application shall include assurances that the eligible entity—

(A) has developed a plan, including an evaluation component, for the program component established pursuant to subsection (c);

(B) shall use Federal funds received from a grant under subsection (a) to supplement, not supplant, non-Federal funds that would otherwise be available for projects funded under this section;

(C) shall provide, with respect to any fiscal year in which such entity receives funds from a grant under subsection (a)(1), non-Federal funds or an in-kind contribution in an amount equal to 20 percent of funds from such grant, for the purpose of carrying out the program component established pursuant to subsection (c); and

(D) shall collaborate with business, government, and the nonprofit sectors in the development and implementation of its sustainability plan.

(c) USE OF FUNDS.—

(1) INDIVIDUAL INSTITUTIONS.—Grants made under subsection (a) may be used by an eligible entity that is an individual institution of higher education for the following purposes *in alignment with local community needs*:

(A) To develop and implement administrative and operations practices at an institution of higher education that test, model, and analyze principles of sustainability.

(B) To establish multidisciplinary education, research, and outreach programs at an institution of higher education that address the environmental, social, and economic dimensions of sustainability.

(C) To support research and teaching initiatives that focus on multidisciplinary and integrated environmental, economic, and social elements.

(D) To ⟦establish⟧ *scale established* initiatives in the areas of energy management, greenhouse gas emissions reductions, green building, waste management, ⟦purchasing, toxics management,⟧ transportation, *resilience, green workforce,* and other aspects of sustainability.

(E) To support student, faculty, and staff work at an institution of higher education to implement, research, and evaluate sustainable practices.

(F) To expand sustainability literacy on campus.

(G) To integrate sustainability curricula in all programs of instruction, particularly in business, *economics, law, political science,* architecture, technology, manufacturing, engineering, and science programs.

(2) PARTNERSHIPS.—Grants made under subsection (a) may be used by an eligible entity that is a nonprofit consortium, association, alliance, or collaboration operating in partnership with one or more institutions of higher education for the following purposes:

(A) To conduct faculty, staff and administrator training on the subjects ⟦of⟧ *relating to* sustainability and institutional change.

(B) To compile, evaluate, and disseminate best practices, case studies, guidelines and standards regarding sustainability.

(C) To conduct efforts to engage external stakeholders such as business, *city and State governments,* alumni, and accrediting agencies in the process of building support for research, education, and technology development for sustainability.

(D) To conduct professional development programs for faculty in all disciplines to enable faculty to incorporate sustainability content in their courses.

(E) To create the analytical tools necessary for institutions of higher education to assess and measure their individual progress toward fully sustainable campus operations and fully integrating sustainability into the curriculum.

(F) To develop educational benchmarks for institutions of higher education to determine the necessary rigor and effectiveness of academic sustainability programs.

(d) REPORTS.—An eligible entity that receives a grant under subsection (a) shall submit to the Secretary, for each fiscal year in which the entity receives amounts from such grant, a report that describes the work conducted pursuant to subsection (c), research findings and publications, administrative savings experienced, and an evaluation of the program.

(e) ALLOCATION REQUIREMENT.—The Secretary may not make grants under subsection (a) to any eligible entity in a total amount that is less than **[**$250,000 or more than $2,000,000**]** *$200,000 or more than $500,000*.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year **[**2009**]** *2021* and each of the five succeeding fiscal years.

PART **[**V**]** *I*—MODELING AND SIMULATION PROGRAMS

SEC. [891.] ***841.*** **MODELING AND SIMULATION.**

(a) PURPOSE; DEFINITION.—

(1) PURPOSE.—The purpose of this section is to promote the study of modeling and simulation at institutions of higher education, through the collaboration with new and existing programs, and specifically to promote the use of technology in such study through the creation of accurate models that can simulate processes or recreate real life, by—

(A) establishing a task force at the Department of Education to raise awareness of and define the study of modeling and simulation;

(B) providing grants to institutions of higher education to develop new modeling and simulation degree programs; and

(C) providing grants for institutions of higher education to enhance existing modeling and simulation degree programs.

(2) DEFINITION.—In this section, the term "modeling and simulation" means a field of study related to the application of computer science and mathematics to develop a level of understanding of the interaction of the parts of a system and of a system as a whole.

(b) ESTABLISHMENT OF TASK FORCE.—

(1) IN GENERAL.—Subject to the availability of appropriations, the Secretary shall establish a task force within the Department to study modeling and simulation and to support the development of the modeling and simulation field. The activities of such task force shall include—

(A) helping to define the study of modeling and simulation (including the content of modeling and simulation classes and programs);

(B) identifying best practices for such study;

(C) identifying core knowledge and skills that individuals who participate in modeling and simulation programs should acquire; and

(D) providing recommendations to the Secretary with respect to—

(i) the information described in subparagraphs (A) through (C); and

(ii) a system by which grants under this section will be distributed.

(2) TASK FORCE MEMBERSHIP.—The membership of the task force under this subsection shall be composed of representatives from—

(A) institutions of higher education with established modeling and simulation degree programs;

(B) the National Science Foundation;

(C) Federal Government agencies that use modeling and simulation extensively, including the Department of Defense, the National Institutes of Health, the Department of Homeland Security, the Department of Health and Human Services, the Department of Energy, and the Department of Transportation;

(D) private industries with a primary focus on modeling and simulation;

(E) national modeling and simulation organizations; and

(F) the Office of Science and Technology Policy.

(c) ENHANCING MODELING AND SIMULATION AT INSTITUTIONS OF HIGHER EDUCATION.—

(1) ENHANCEMENT GRANTS AUTHORIZED.—

(A) IN GENERAL.—The Secretary is authorized to award grants, on a competitive basis, to eligible institutions to enhance modeling and simulation degree programs at such eligible institutions.

(B) DURATION OF GRANT.—A grant awarded under this subsection shall be awarded for a three-year period, and such grant period may be extended for not more than two years if the Secretary determines that an eligible institution has demonstrated success in enhancing the modeling and simulation degree program at such eligible institution.

(C) MINIMUM GRANT AMOUNT.—Subject to the availability of appropriations, a grant awarded to an eligible in-

stitution under this subsection shall not be less than $750,000.

(D) NON-FEDERAL SHARE.—Each eligible institution receiving a grant under this subsection shall provide, from non-Federal sources, in cash or in-kind, an amount equal to 25 percent of the amount of the grant to carry out the activities supported by the grant. The Secretary may waive the non-Federal share requirement under this subparagraph for an eligible institution if the Secretary determines a waiver to be appropriate based on the financial ability of the institution.

(2) ELIGIBLE INSTITUTIONS.—For the purposes of this subsection, an eligible institution is an institution of higher education that—

(A) has an established modeling and simulation degree program, including a major, minor, or career-track program; or

(B) has an established modeling and simulation certificate or concentration program.

(3) APPLICATION.—To be considered for a grant under this subsection, an eligible institution shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

(A) a letter from the president or provost of the eligible institution that demonstrates the institution's commitment to the enhancement of the modeling and simulation program at the institution of higher education;

(B) an identification of designated faculty responsible for the enhancement of the institution's modeling and simulation program; and

(C) a detailed plan for how the grant funds will be used to enhance the modeling and simulation program of the institution.

(4) USES OF FUNDS.—A grant awarded under this subsection shall be used by an eligible institution to carry out the plan developed in accordance with paragraph (3)(C) to enhance modeling and simulation programs at the institution, which may include—

(A) in the case of an institution that is eligible under paragraph (2)(B), activities to assist in the establishment of a major, minor, or career-track modeling and simulation program at the eligible institution;

(B) expanding the multidisciplinary nature of the institution's modeling and simulation programs;

(C) recruiting students into the field of modeling and simulation through the provision of fellowships or assistantships;

(D) creating new courses to complement existing courses and reflect emerging developments in the modeling and simulation field;

(E) conducting research to support new methodologies and techniques in modeling and simulation; and

(F) purchasing equipment necessary for modeling and simulation programs.

(d) ESTABLISHING MODELING AND SIMULATION PROGRAMS.—

(1) ESTABLISHMENT GRANTS AUTHORIZED.—

(A) IN GENERAL.—The Secretary is authorized to award grants to institutions of higher education to establish a modeling and simulation program, including a major, minor, career-track, certificate, or concentration program.

(B) DURATION OF GRANT.—A grant awarded under this subsection shall be awarded for a three-year period, and such grant period may be extended for not more than two years if the Secretary determines that an eligible institution has demonstrated success in establishing a modeling and simulation degree program at such eligible institution.

(C) MINIMUM GRANT AMOUNT.—Subject to the availability of appropriations, a grant awarded to an eligible institution under this subsection shall not be less than $750,000.

(D) NON-FEDERAL SHARE.—Each eligible institution receiving a grant under this subsection shall provide, from non-Federal sources, in cash or in-kind, an amount equal to 25 percent of the amount of the grant to carry out the activities supported by the grant. The Secretary may waive the non-Federal share requirement under this subparagraph for an eligible institution if the Secretary determines a waiver to be appropriate based on the financial ability of the institution.

(2) APPLICATION.—To apply for a grant under this subsection, an eligible institution shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

(A) a letter from the president or provost of the eligible institution that demonstrates the institution's commitment to the establishment of a modeling and simulation program at the institution of higher education;

(B) a detailed plan for how the grant funds will be used to establish a modeling and simulation program at the institution; and

(C) a description of how the modeling and simulation program established under this subsection will complement existing programs and fit into the institution's current program and course offerings.

(3) USES OF FUNDS.—A grant awarded under this subsection may be used by an eligible institution to—

(A) establish, or work toward the establishment of, a modeling and simulation program, including a major, minor, career-track, certificate, or concentration program at the eligible institution;

(B) provide adequate staffing to ensure the successful establishment of the modeling and simulation program, which may include the assignment of full-time dedicated or supportive faculty; and

(C) purchase equipment necessary for a modeling and simulation program.

(e) AUTHORIZATION OF APPROPRIATIONS.—[There are authorized to be appropriated to carry out this section such sums as may be

necessary for fiscal year 2009 and each of the five succeeding fiscal years.] *There is authorized to be appropriated to carry out this section $75,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.* Of the amounts authorized to be appropriated for each fiscal year—

(1) $1,000,000 is authorized to carry out the activities of the task force established pursuant to subsection (b); and

(2) of the amount remaining after the allocation for paragraph (1)—

(A) 50 percent is authorized to carry out the grant program under subsection (c); and

(B) 50 percent is authorized to carry out the grant program under subsection (d).

PART [W] *J*—PATH TO SUCCESS

SEC. [892.] *846.* PATH TO SUCCESS.

(a) PURPOSE.—The purpose of this section is to encourage community supported programs that—

(1) leverage and enhance community support for at-risk young adults by facilitating the transition of such young adults who are eligible individuals into productive learning environments where such young adults can obtain the life, social, academic, career, and technical skills and credentials necessary to strengthen the Nation's workforce;

(2) provide counseling, as appropriate, for eligible individuals participating in the programs to allow the eligible individuals to build a relationship with one or more guidance counselors during the period that the individuals are enrolled in the programs, including providing referrals and connections to community resources that help eligible individuals transition back into the community with the necessary life, social, academic, career, and technical skills after being in detention, or incarcerated, particularly resources related to health, housing, job training, and workplace readiness;

(3) provide training and education for eligible individuals participating in the programs, to allow such individuals to assist community officials and law enforcement agencies with the deterrence and prevention of gang and youth violence by participating in seminars, training, and workshops throughout the community; and

(4) provide each eligible individual participating in the programs with individual attention based on a curriculum that matches the interests and abilities of the individual to the resources of the program.

(b) REENTRY EDUCATION PROGRAM.—

(1) GRANT PROGRAM ESTABLISHED.—From the amounts appropriated under subsection (g), the Secretary is authorized to award grants to community colleges to enter into and maintain partnerships with juvenile detention centers and secure juvenile justice residential facilities to provide assistance, services, and education to eligible individuals who reenter the community and pursue, in accordance with the requirements of this section, at least one of the following:

(A) A certificate of completion for a specialized area of study, such as career and technical training and other alternative postsecondary educational programs.

(B) An associate's degree.

(2) GRANT PERIOD.—A grant awarded under this part shall be for one four-year period, and may be renewed for an additional period as the Secretary determines to be appropriate.

(3) APPLICATION.—A community college desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary shall require. Such application shall include—

(A) an assessment of the existing community resources available to serve at-risk youth;

(B) a detailed description of the program and activities the community college will carry out with such grant; and

(C) a proposed budget describing how the community college will use the funds made available by such grant.

(4) PRIORITY.—In awarding grants under this part, the Secretary shall give priority to community colleges that propose to serve the highest number of priority individuals, and, among such community colleges, shall give priority to community colleges that the Secretary determines will best carry out the purposes of this part, based on the applications submitted in accordance with paragraph (3).

(c) ALLOWABLE USES OF FUNDS.—A community college awarded a grant under this part may use such grant to—

(1) pay for tuition and transportation costs of eligible individuals;

(2) establish and carry out an education program that includes classes for eligible individuals that—

(A) provide marketable life and social skills to such individuals;

(B) meet the education program requirements under subsection (d), including as appropriate, courses necessary for the completion of a secondary school diploma or the recognized equivalent;

(C) promote the civic engagement of such individuals; and

(D) facilitate a smooth reentry of such individuals into the community;

(3) create and carry out a mentoring program that is—

(A) specifically designed to help eligible individuals with the potential challenges of the transitional period from detention to release;

(B) created in consultation with guidance counselors, academic advisors, law enforcement officials, and other community resources; and

(C) administered by a program coordinator, selected and employed by the community college, who shall oversee each individual's development and shall serve as the immediate supervisor and reporting officer to whom the academic advisors, guidance counselors, and volunteers shall report regarding the progress of each such individual;

(4) facilitate employment opportunities for eligible individuals by entering into partnerships with public and private entities to provide opportunities for internships, apprenticeships, and permanent employment, as possible, for such individuals; and

(5) provide training for eligible individuals participating in the programs, to allow such individuals to assist community officials and law enforcement agencies with the deterrence and prevention of gang and youth violence by participating in seminars and workshop series throughout the community.

(d) EDUCATION PROGRAM REQUIREMENTS.—An education program established and carried out under subsection (c) shall—

(1) include classes that are required for completion of a certificate, diploma, or degree described in subparagraph (A) or (B) of subsection (b)(1), including as appropriate courses necessary for the completion of a secondary school diploma or the recognized equivalent;

(2) provide a variety of academic programs, with various completion requirements, to accommodate the diverse academic backgrounds, learning styles, and academic and career interests of the eligible individuals who participate in the education program;

(3) offer flexible academic programs that are designed to improve the academic development and achievement of eligible individuals, and to avoid high attrition rates for such individuals; and

(4) provide for a uniquely designed education plan for each eligible individual participating in the program, which shall require such individual to receive, at a minimum, a certificate or degree described in subparagraph (A) or (B) of subsection (b)(1) to successfully complete such program.

(e) REPORTS.—Each community college awarded a grant under this part shall submit to the Secretary a report—

(1) documenting the results of the program carried out with such grant; and

(2) evaluating the effectiveness of activities carried out through such program.

(f) DEFINITIONS.—In this section:

(1) COMMUNITY COLLEGE.—The term "community college" has the meaning given the term "junior or community college" in section 312(f).

(2) ELIGIBLE INDIVIDUAL.—The term "eligible individual" means an individual who—

(A) is 16 to 25 years of age (inclusive); and

(B)(i) has been convicted of a criminal offense; and

(ii) is detained in, or has been released from, a juvenile detention center or secure juvenile justice residential facility.

(3) GANG-RELATED OFFENSE.—

(A) IN GENERAL.—The term "gang-related offense" means an offense that involves the circumstances described in subparagraph (B) and that is—

(i) a Federal or State felony involving a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)) for which the maximum penalty is not less than five years;

(ii) a Federal or State crime of violence that has as an element the use or attempted use of physical force against the person of another for which the maximum penalty is not less than six months; or

(iii) a conspiracy to commit an offense described in clause (i) or (ii).

(B) CIRCUMSTANCES.—The circumstances described in this subparagraph are that the offense described in subparagraph (A) was committed by a person who—

(i) participates in a criminal street gang (as defined insection 521(a)of title 18, United States Code) with knowledge that such gang's members engage in or have engaged in a continuing series of offenses described in subparagraph (A); and

(ii) intends to promote or further the felonious activities of the criminal street gang or maintain or increase the person's position in the gang.

(4) PRIORITY INDIVIDUAL.—The term "priority individual" means an individual who—

(A) is an eligible individual;

(B) has been convicted of a gang-related offense; and

(C) has served or is serving a period of detention in a juvenile detention center or secure juvenile justice residential facility for such offense.

(5) GUIDANCE COUNSELOR.—The term "guidance counselor" means an individual who works with at-risk youth on a one-on-one basis, to establish a supportive relationship with such at-risk youth and to provide such at-risk youth with academic assistance and exposure to new experiences that enhance their ability to become responsible citizens.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year [2009] *2021* and each of the five succeeding fiscal years.

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PART [AA] *K*—MASTERS AND POSTBACCALAUREATE PROGRAMS

SEC. [897.] *851.* MASTERS DEGREE PROGRAMS.

In addition to any amounts appropriated under section 725, there are authorized to be appropriated, and there are appropriated, out of any funds in the Treasury not otherwise appropriated, [$11,500,000 for fiscal year 2009 and for each of the five succeeding fiscal years] *$13,500,000 for fiscal year 2021 and each succeeding fiscal year* to carry out subpart 4 of part A of title VII in order to provide grants under sections 723 and 724, in the minimum amount authorized under such sections, to all institutions eligible for grants under such sections.

SEC. [898.] *852.* POSTBACCALAUREATE PROGRAMS.

[In addition] *(a) ADDITIONAL APPROPRIATIONS FOR PART B OF TITLE V.—In addition* to any amounts appropriated under part B of title V, there are authorized to be appropriated, and there are appropriated, out of any funds in the Treasury not otherwise ap-

propriated, [$11,500,000 for fiscal year 2009 and for each of the five succeeding fiscal years] *$21,000,000 for fiscal year 2021 and each succeeding fiscal year* to carry out part B of title V.

(b) ADDITIONAL APPROPRIATIONS FOR PART A OF TITLE VII.—In addition to any amounts appropriated under subpart 5 of part A of title VII, there are authorized to be appropriated, and there are appropriated, out of any funds in the Treasury not otherwise appropriated, $13,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years to carry out subpart 5 of part A of title VII.

PART L—ACCESS TO OPEN EDUCATIONAL RESOURCES

SEC. 856. AFFORDABLE COLLEGE TEXTBOOKS.

(a) GRANT PROGRAM.—

(1) GRANTS AUTHORIZED.—From the amounts appropriated under paragraph (8), the Secretary shall make grants, on a competitive basis, to eligible entities to support projects that expand the use of high-quality open textbooks in order to achieve savings for students while improving instruction and student learning outcomes.

(2) APPLICATIONS.—

(A) IN GENERAL.—Each eligible entity desiring a grant under this subsection, after consultation with relevant faculty, shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(B) CONTENTS.—Each application submitted under subparagraph (A) shall include—

(i) a description of the proposed project to be completed with grant funds;

(ii) a plan for promoting and tracking the use of open textbooks in postsecondary courses offered by the eligible entity, including an estimate of the projected savings that will be achieved for students through the use of such textbooks;

(iii) a description of how the eligible entity will evaluate whether existing open educational resources could be used or adapted into open educational resources before creating new open educational resources;

(iv) a plan for quality review (including peer review), review of accuracy, and review of accessibility of any open educational resources created or adapted through the grant;

(v) a plan for assessing the impact of open textbooks on instruction and student learning outcomes at the eligible entity;

(vi) a plan for disseminating information about the results of the project to institutions of higher education outside of the eligible entity, including promoting the adoption of any open textbooks created or adapted through the grant;

(vii) a statement on consultation with relevant faculty, including those engaged in the creation of open

educational resources, in the development of the application; and

(viii) an assurance that open educational resources utilized, developed, or researched will be available in accessible formats, which may include braille, audio books, closed captioning, and audio descriptions.

(3) SPECIAL CONSIDERATION.—In awarding grants under this section, the Secretary shall give special consideration to applications that demonstrate the greatest potential to—

(A) achieve the highest level of savings for students through sustainable expanded use of high-quality open textbooks in postsecondary courses offered by the eligible entity;

(B) achieve improvements in student learning and student outcomes;

(C) expand the use of open textbooks at institutions of higher education outside of the eligible entity; and

(D) produce—

(i) the highest quality and most accessible open textbooks;

(ii) open textbooks that can be most easily utilized and adapted by faculty members at institutions of higher education;

(iii) open textbooks that correspond to the highest enrollment courses at institutions of higher education;

(iv) open textbooks created or adapted in partnership with entities, including campus bookstores, that will assist in marketing and distribution of the open textbook; and

(v) open textbooks that conform to accessibility standards under section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

(4) USE OF FUNDS.—

(A) MANDATORY USES OF FUNDS.—An eligible entity that receives a grant under this section shall use the grant funds to carry out the following activities to expand the use of open textbooks:

(i) Professional development for any faculty and staff members at institutions of higher education, including the search for and review of open textbooks.

(ii) Creation or adaptation of high-quality open educational resources that conform to accessibility standards under section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), especially open textbooks, and the quality assurance of such open educational resources.

(iii) Development or improvement of tools and informational resources that support the use of open textbooks, including improving accessible instructional materials for students with disabilities that conform to accessibility standards under section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

(iv) Research evaluating the efficacy of the use of open textbooks for achieving savings for students and the impact on instruction and student learning outcomes.

(B) DISCRETIONARY USE OF FUNDS.—An eligible entity that receives a grant under this section may use grant funds to purchase or maintain electronic equipment necessary for the operation or use of digital open educational resources, including mobile computer devices and accompanying hardware, software applications, computer systems and platforms, and other digital and online services and support.

(5) OPEN LICENSING REQUIREMENT.—

(A) COPYRIGHT.—An eligible entity receiving a grant under this section may, with prior approval from the Secretary, assert a copyright in a copyrightable work first produced under the grant.

(B) OPEN LICENSE REQUIREMENT.—

(i) REQUIREMENT.—With respect to each copyrightable work first produced under the grant, except as provided in clause (ii), an eligible entity that asserts a copyright under subparagraph (A) shall provide to the public a non-exclusive, royalty-free, perpetual, irrevocable, worldwide license to carry out each exclusive right provided to that eligible entity under section 106 of title 17, United States Code.

(ii) EXCEPTION.—With respect to a copyrightable work first produced under the grant that employs preexisting material, the requirement described under such subparagraph shall apply to such work to the extent that—

(I) no copyright subsists in such preexisting material; or

(II) the eligible entity is authorized to license such material in the manner described under such subparagraph.

(C) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed as affecting the application of the requirements of chapter 18 of title 35, United States Code (commonly known as the "Bayh-Dole Act").

(D) COPYRIGHTABLE WORK DEFINED.—In this subsection, the term "copyrightable work" means a work subject to protection under title 17, United States Code, but does not include a work that may be patentable or otherwise protectable under title 35, United States Code.

(6) ACCESS AND DISTRIBUTION.—The full and complete digital content of each educational resource created or adapted under paragraph (5) shall be made available free of charge to the public—

(A) on an easily accessible and interoperable website, which shall be identified to the Secretary by the eligible entity;

(B) in a machine readable, digital format that anyone can directly download, edit with attribution, and redistribute; and

(C) in a fully accessible format in compliance with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

(7) REPORT.—Upon an eligible entity's completion of a project for which the eligible entity received a grant under this section, the eligible entity shall prepare and submit a report to the Secretary regarding—

(A) the effectiveness of the project in expanding the use of high-quality open textbooks and in achieving savings for students;

(B) the impact of the project on expanding the use of open textbooks at institutions of higher education outside of the eligible entity;

(C) educational resources created or adapted under the grant, including instructions on where the public can access each educational resource under the terms of paragraphs (5) and (6);

(D) information about the quality review process that was used to ensure quality and accuracy;

(E) the impact of the project on instruction and student learning outcomes; and

(F) all project costs, including the value of any volunteer labor and institutional capital used for the project.

(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year 2021 and each of the 5 succeeding fiscal years.

(b) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of College Affordability Act, the Secretary shall prepare and submit a report to authorizing committees detailing—

(1) the high-quality open textbooks created or adapted under this section;

(2) the adoption of such open textbooks;

(3) the savings generated for students, States, territories, and the Federal Government through the use of open textbooks; and

(4) the impact of open textbooks on instruction and student learning outcomes.

(c) GAO REPORT.—Not later than 3 years after the date of enactment of College Affordability Act, the Comptroller General of the United States shall prepare and submit a report to the authorizing committees on the cost of textbooks to students at institutions of higher education. The report shall include—

(1) the change of the cost of textbooks between the date of the enactment of the College Affordability Act and the date of such report;

(2) the factors that have contributed to such change in the cost of textbooks, including the impact of open textbooks on the cost;

(3) the extent to which open textbooks are used at institutions of higher education compared to the use of open textbooks before the date of the enactment of this subsection;

(4) how institutions are tracking the impact of open textbooks on instruction and student learning outcomes;

(5) the availability of accessible forms of open textbooks and the barriers faced by students with disabilities in accessing accessible forms of open educational resources compared to the barriers faced in accessing traditional educational materials; and

(6) the barriers faced by other student populations, including low-income students, in accessing high-quality open educational resources compared to the barriers faced in accessing traditional educational materials.

(d) DEFINITIONS.—In this section:

(1) EDUCATIONAL RESOURCE.—The term "educational resource" means a print or digital educational material that can be used in postsecondary instruction, including textbooks and other written or audiovisual works.

(2) ELIGIBLE ENTITY.—The term "eligible entity" means an institution of higher education or a consortia of such institutions of higher education.

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101.

(4) OPEN EDUCATIONAL RESOURCE.—The term "open educational resource" means a print or digital educational resource that either resides in the public domain or has been released under an intellectual property license that permits its free use, reuse, modification, and sharing with others.

(5) OPEN TEXTBOOK.—The term "open textbook" means an open educational resource or set of open educational resources that either is a textbook or can be used in place of a textbook for a postsecondary course at an institution of higher education.

(6) RELEVANT FACULTY.—The term "relevant faculty" means both tenure track and contingent faculty members who may be involved in the creation of open educational resources or the use of open educational resources created as part of the grant application.

PART M—MENTAL HEALTH AND SUICIDE PREVENTION

SEC. 861. ENCOURAGING CAMPUS COMPREHENSIVE MENTAL HEALTH AND SUICIDE PREVENTION PLANS.

(a) IN GENERAL.—The Secretary shall make efforts to encourage institutions of higher education to develop and implement comprehensive campus mental health and suicide prevention plans. Such efforts—

(1) shall be conducted in coordination with the Secretary of Health and Human Services (acting through the Administrator of the Substance Abuse and Mental Health Services Administration);

(2) shall align with—

(A) the efforts of the Suicide Prevention Resource Center, specifically the Center's model of nine strategies that form a comprehensive approach to suicide prevention;

(B) the 21st Century Cures Act (42 U.S.C. 201 note); and

(C) the programs authorized under the Garrett Lee Smith Memorial Act (42 U.S.C. 201 note; Public Law 108–355);

(3) shall take into consideration existing State efforts to address mental health and suicide prevention at institutions of higher education; and

(4) may be carried out in collaboration with nonprofit organizations and other experts and stakeholders in the field of campus mental health and suicide prevention.

(b) REPORTS.—The Secretary, or a designee of the Secretary, shall report to Congress on the efforts of the Secretary carried out under this section—

(1) not later than one year after the date of enactment of the College Affordability Act; and

(2) three years after the date of enactment of such Act.

(c) CONSTRUCTION.—Nothing in this section shall be construed as creating new statutory requirements for institutions of higher education or granting the Secretary new regulatory authority.

HIGHER EDUCATION OPPORTUNITY ACT

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Higher Education Opportunity Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References.
Sec. 3. General effective date.

TITLE I—GENERAL PROVISIONS

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[Sec. 119. Certification regarding the use of certain Federal funds.]

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TITLE I—GENERAL PROVISIONS

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[SEC. 119. CERTIFICATION REGARDING THE USE OF CERTAIN FEDERAL FUNDS.

[(a) PROHIBITION.—No Federal funds received under the Higher Education Act of 1965 (et seq.) by an institution of higher education or other postsecondary educational institution may be used to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action described in subsection (b).

[(b) APPLICABILITY.—The prohibition in subsection (a) applies with respect to the following Federal actions:

[(1) The awarding of any Federal contract.

[(2) The making of any Federal grant.

[(3) The making of any Federal loan.

[(4) The entering into of any Federal cooperative agreement.

[(5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

[(c) LOBBYING AND EARMARKS.—No Federal student aid funding under the Higher Education Act of 1965 (et seq.) may be used to hire a registered lobbyist or pay any person or entity for securing an earmark.

[(d) CERTIFICATION.—Each institution of higher education or other postsecondary educational institution receiving Federal funding under the Higher Education Act of 1965 (et seq.), as a condition for receiving such funding, shall annually certify to the Secretary of Education that the requirements of subsections (a) through (c) have been met.

[(e) ACTIONS TO IMPLEMENT AND ENFORCE.—The Secretary of Education shall take such actions as are necessary to ensure that the provisions of this section are implemented and enforced.]

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EDUCATION OF THE DEAF ACT OF 1986

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TITLE I—GALLAUDET UNIVERSITY; NATIONAL TECHNICAL INSTITUTE FOR THE DEAF; OTHER PROGRAMS

PART A—GALLAUDET UNIVERSITY

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SEC. 103. BOARD OF TRUSTEES.

(a) COMPOSITION OF THE BOARD.—(1) Gallaudet University shall be under the direction and control of a Board of Trustees, composed of [twenty-one] *twenty-three* members who shall include—

(A) [three] *four* public members of whom (i) [one] *two* shall be a United States [Senator] *Senators* appointed by the President of the Senate, and (ii) two shall be Representatives appointed by the Speaker of the House of Representatives; and

(B) [eighteen] *nineteen* other members, all of whom shall be elected by the Board of Trustees and of whom one shall be elected pursuant to regulations of the Board of Trustees, on nomination by the Gallaudet University Alumni Association, for a term of three years.

(2) The members appointed from the Senate and House of Representatives shall be appointed for a term of two years at the beginning of each Congress, shall be eligible for reappointment, and shall serve until their successors are appointed.

(3) The Board of Trustees shall have the power to fill any vacancy in the membership of the Board except for public members. Nine trustees shall constitute a quorum to transact business. The Board of Trustees, by vote of a majority of its membership, is authorized to remove any member of their body (except the public members) who may refuse or neglect to discharge the duties of a trustee, or whose removal would, in the judgment of said majority, be to the interest and welfare of said corporation.

(b) POWERS OF THE BOARD.—The Board of Trustees is authorized to—

(1) make such rules, policies, regulations, and bylaws, not inconsistent with the Constitution and laws of the United States, as may be necessary for the good government of Gallaudet University, for the management of the property and funds of such corporation (including the construction of buildings and other

facilities), and for the admission, instruction, care, and discharge of students;

(2) provide for the adoption of a corporate seal and for its use;

(3) fix the date of holding their annual and other meetings;

(4) appoint a president and establish policies, guidelines, and procedures related to the appointments, the salaries, and the dismissals of professors, instructors, and other employees of Gallaudet University, including the adoption of a policy of outreach and recruitment to employ and advance in employment qualified individuals with disabilities, particularly individuals who are deaf or hard of hearing;

(5) elect a chairperson and other officers and prescribe their duties and terms of office, and appoint an executive committee to consist of five members, and vest the committee with such of its powers during periods between meetings of the Board as the Board deems necessary;

(6) establish such schools, departments, and other units as the Board of Trustees deems necessary to carry out the purpose of Gallaudet University;

(7) confer such degrees and marks of honor as are conferred by colleges and universities generally, and issue such diplomas and certificates of graduation as, in its opinion, may be deemed advisable, and consistent with academic standards;

(8) subject to section 203, control expenditures of all moneys appropriated by Congress for the benefit of Gallaudet University; and

(9) control the expenditure and investment of any moneys or funds or property which Gallaudet University may have or may receive from sources other than appropriations by Congress.

SEC. 104. LAURENT CLERC NATIONAL DEAF EDUCATION CENTER.

(a) GENERAL AUTHORITY.—(1)(A) The Board of Trustees of Gallaudet University is authorized, in accordance with the agreement under section 105, to maintain and operate the Laurent Clerc National Deaf Education Center (referred to in this section as the "Clerc Center") to carry out exemplary elementary and secondary education programs, projects, and activities for the primary purpose of developing, evaluating, and disseminating innovative curricula, instructional techniques and strategies, and materials that can be used in various educational environments serving individuals who are deaf or hard of hearing throughout the Nation.

(B) The elementary and secondary education programs described in subparagraph (A) shall serve students with a broad spectrum of needs, including students who are lower achieving academically, who come from non-English-speaking homes, who have secondary disabilities, who are members of minority groups, or who are from rural areas.

(C) The elementary and secondary education programs described in subparagraph (A) shall include—

(i) the Kendall Demonstration Elementary School, to provide day facilities for elementary education for students who are deaf from the age of onset of deafness to age fifteen, inclusive, but not beyond the eighth grade or its equivalent, to provide such students with the vocational, transitional, independent

living, and related services they need to function independently, and to prepare such students for high school and other secondary study; and

(ii) the Model Secondary School for the Deaf, to provide day and residential facilities for secondary education for students who are deaf from grades nine through twelve, inclusive, to provide such students with the vocational, transitional, independent living, and related services they need to function independently, and to prepare such students for college, other postsecondary opportunities, or the workplace.

(2) The Model Secondary School for the Deaf may provide residential facilities for students enrolled in the school—

(A) who live beyond a reasonable commuting distance from the school; or

(B) for whom such residency is necessary for them to receive a free appropriate public education within the meaning of part B of the Individuals with Disabilities Education Act.

(b) ADMINISTRATIVE REQUIREMENTS.—(1) The Clerc Center shall—

(A) provide technical assistance and outreach throughout the Nation to meet the training and information needs of parents of infants, children, and youth who are deaf or hard of hearing; and

(B) provide technical assistance and training to personnel for use in teaching (i) students who are deaf or hard of hearing, in various educational environments, and (ii) students who are deaf or hard of hearing with a broad spectrum of needs as described in subsection (a).

(2) To the extent possible, the Clerc Center shall provide the services required under paragraph (1)(B) in an equitable manner, based on the national distribution of students who are deaf or hard of hearing in educational environments as determined by the Secretary for purposes of section 618(a)(1) of the Individuals with Disabilities Education Act. Such educational environments shall include—

(A) regular classes;

(B) resource rooms;

(C) separate classes;

(D) separate, public or private, nonresidential schools; and

(E) separate, public or private, residential schools and homebound or hospital environments.

(3) If a local educational agency, educational service agency, or State educational agency refers a child to, or places a child in, one of the elementary or secondary education programs to meet its obligation to make available a free appropriate public education under part B of the Individuals with Disabilities Education Act, the agency or unit shall be responsible for ensuring that the special education and related services provided to the child by the education program are in accordance with part B of that Act and that the child is provided the rights and procedural safeguards under section 615 of that Act.

(4) If the parents or guardian places a child in one of the elementary or secondary education programs, the University shall—

(A) notify the appropriate local educational agency, educational service agency, or State educational agency of that child's attendance in the program;

(B) work with local educational agencies, educational service agencies, and State educational agencies, where appropriate, to ensure a smooth transfer of the child to and from that program; and

(C) provide the child a free appropriate public education in accordance with part B of the Individuals with Disabilities Education Act and procedural safeguards in accordance with the following provisions of section 615 of such Act:

(i) Paragraphs (1), and (3) through (8) of subsection (b).

(ii) Subsections (c) through (g).

(iii) Subsection (h), except for the matter in paragraph (4) pertaining to transmission of findings and decisions to a State advisory panel.

(iv) Paragraphs (1) and (2) of subsection (i).

(v) Subsection (j)—

(I) except that such subsection shall not be applicable to a decision by the University to refuse to admit a child; or

(II) to dismiss a child, except that, before dismissing any child, the University shall give at least 60 days written notice to the child's parents and to the local educational agency in which the child resides, unless the dismissal involves a suspension, expulsion, or other change in placement covered under section 615(k).

(vi) Subsections (k) through (o).

[(5) The University, for purposes of the elementary and secondary education programs carried out at the Clerc Center, shall—

[(A)(i) select challenging academic content standards, challenging student academic achievement standards, and academic assessments of a State, adopted and implemented, as appropriate, pursuant to paragraphs (1) and (3) of section 1111(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1)and (3)) and approved by the Secretary; and

[(ii) implement such standards and assessments for such programs by not later than the beginning of the 2009–2010 academic year;

[(B) annually determine whether such programs at the Clerc Center are making adequate yearly progress, as determined according to the definition of adequate yearly progress defined (pursuant to section 1111(b)(2)(C) of such Act (20 U.S.C. 6311(b)(2)(C))) by the State that has adopted and implemented the standards and assessments selected under subparagraph (A)(i); and

[(C) publicly report the results of the academic assessments implemented under subparagraph (A), except where such reporting would not yield statistically reliable information or would reveal personally identifiable information about an individual student, and whether the programs at the Clerc Center are making adequate yearly progress, as determined under subparagraph (B).]

(5) The University, for purposes of the elementary and secondary education programs carried out by the Clerc Center, shall—

(A)(i)(I) provide an assurance to the Secretary that the University has adopted and is implementing challenging State academic standards that meet the requirements of section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1));

(II) demonstrate to the Secretary that the University is implementing a set of high-quality student academic assessments in mathematics, reading or language arts, and science, and any other subjects chosen by the University, that meet the requirements of section 1111(b)(2) of such Act (20 U.S.C. 6311(b)(2)); and

(III) demonstrate to the Secretary that the University is implementing an accountability system consistent with section 1111(c) of such Act (20 U.S.C. 6311(c)); or

(ii)(I) select the challenging State academic standards and State academic assessments of a State, adopted and implemented, as appropriate, pursuant to paragraphs (1) and (2) of section 1111(b) of such Act (20 U.S.C. 6311(b)); and

(II) adopt the accountability system, consistent with section 1111(c) of such Act (20 U.S.C. 6311(c)), of such State; and

(B) publicly report, except in a case in which such reporting would not yield statistically reliable information or would reveal personally identifiable information about an individual student—

(i) the results of the academic assessments implemented under subparagraph (A); and

(ii) the results of the annual evaluation of the programs at the Clerc Center, as determined using the accountability system adopted under subparagraph (A).

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TITLE II—GENERAL PROVISIONS

* * * * * * *

SEC. 207. FEDERAL ENDOWMENT PROGRAMS FOR GALLAUDET UNIVERSITY AND THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.

(a) ESTABLISHMENT OF PROGRAMS.—

(1) The Secretary and the Board of Trustees of Gallaudet University are authorized to establish the Gallaudet University Federal Endowment Fund as a permanent endowment fund, in accordance with this section, for the purpose of promoting the financial independence of the University. The Secretary and the Board of Trustees may enter into such agreements as may be necessary to carry out the purposes of this section with respect to the University.

(2) The Secretary and the Board of Trustees or other governing body of the institution of higher education with which the Secretary has an agreement under section 112 are authorized to establish the National Technical Institute for the Deaf

Federal Endowment Fund as a permanent endowment fund, in accordance with this section, for the purpose of promoting the financial independence of NTID. The Secretary and the Board or other governing body may enter into such agreements as may be necessary to carry out the purposes of this section with respect to NTID.

(b) FEDERAL PAYMENTS.—

(1) The Secretary shall, consistent with this section, make payments to the Federal endowment funds established under subsection (a) from amounts appropriated under subsection (h) for the fund involved.

(2) Subject to the availability of appropriations, the Secretary shall make payments to each Federal endowment fund in amounts equal to sums contributed to the fund from non-Federal sources during the fiscal year in which the appropriations are made available (excluding transfers from other endowment funds of the institution involved).

(c) INVESTMENTS.—

(1) Except as provided in subsection (e), the University and NTID, respectively, shall invest the Federal contribution of its Federal endowment fund corpus and income in instruments and securities offered through one or more cooperative service organizations of operating educational organizations under section 501(f) of the Internal Revenue Code of 1986, or in low-risk instruments and securities in which a regulated insurance company may invest under the laws of the State in which the institution involved is located.

(2) In managing the investment of its Federal endowment fund, the University or NTID shall exercise the judgment and care, under the prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of that person's own business affairs.

(3) Neither the University nor NTID may invest its Federal endowment fund corpus or income in real estate, or in instruments or securities issued by an organization in which an executive officer, a member of the Board of Trustees of the University or of the host institution, or a member of the advisory group established under section 112 is a controlling shareholder, director, or owner within the meaning of Federal securities laws and other applicable laws. Neither the University nor NTID may assign, hypothocate, encumber, or create a lien on the Federal endowment fund corpus without specific written authorization of the Secretary.

(d) WITHDRAWALS AND EXPENDITURES.—

(1) Except as provided in paragraph (3)(B), neither the University nor NTID may withdraw or expend any of the corpus of its Federal endowment fund.

(2)(A) The University and NTID, respectively, may withdraw or expend the income of its Federal endowment fund only for expenses necessary to the operation of that institution, including expenses of operations and maintenance, administration, academic and support personnel, construction and renovation, community and student services programs, technical assistance, and research.

(B) Neither the University nor NTID may withdraw or expend the income of its Federal endowment fund for any commercial purpose.

(C) The University and NTID shall maintain records of the income generated from its respective Federal endowment fund for the prior fiscal year.

(3)(A) Except as provided in subparagraph (B), the University and NTID, respectively, may, on an annual basis, withdraw or expend not more than 50 percent of the income generated from its Federal endowment fund from the current fiscal year.

(B) The Secretary may permit the University or NTID to withdraw or expend a portion of its Federal endowment fund corpus or more than 50 percent of the income generated from its Federal endowment fund from the prior fiscal year if the institution involved demonstrates, to the Secretary's satisfaction, that such withdrawal or expenditure is necessary because of—

(i) a financial emergency, such as a pending insolvency or temporary liquidity problem;

(ii) a life-threatening situation occasioned by natural disaster or arson; or

(iii) another unusual occurrence or exigent circumstance.

(e) INVESTMENT AND EXPENDITURE FLEXIBILITY.—The corpus associated with a Federal payment [(and its non-Federal match)] made to the Federal endowment fund of the University or NTID shall not be subject to the investment limitations of subsection (c)(1) after 10 fiscal years following the fiscal year in which the funds are matched, and the income generated from such corpus after the tenth fiscal year described in this subsection shall not be subject to such investment limitations or to the withdrawal and expenditure limitations of subsection (d)(3).

(f) RECOVERY OF PAYMENTS.—After notice and an opportunity for a hearing, the Secretary is authorized to recover any Federal payments under this section if the University or NTID—

(1) makes a withdrawal or expenditure of the corpus or income of its Federal endowment fund that is not consistent with this section;

(2) fails to comply with the investment standards and limitations under this section; or

(3) fails to account properly to the Secretary concerning the investment of or expenditures from the Federal endowment fund corpus or income.

(g) DEFINITIONS.—As used in this section:

(1) The term "corpus", with respect to a Federal endowment fund under this section, means an amount equal to the Federal payments to such fund, [amounts contributed to the fund from non-Federal sources, and] *and the related* appreciation from capital gains and reinvestment of income.

(2) The term "Federal endowment fund" means a fund, or a tax-exempt foundation, established and maintained pursuant to this section by the University or NTID, as the case may be, for the purpose of generating income for the support of the institution involved.

(3) The term "income", with respect to a Federal endowment fund under this section, means an amount equal to the divi-

dends and interest accruing from investments of the corpus of such fund.

(4) The term "institution involved" means the University or NTID, as the case may be.

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) In the case of the University, there are authorized to be appropriated for the purposes of this section such sums as may be necessary for each of the fiscal years 2009 through 2014.

(2) In the case of NTID, there are authorized to be appropriated for the purposes of this section such sums as may be necessary for each of the fiscal years 2009 through 2014.

(3) Amounts appropriated under paragraph (1) or (2) shall remain available until expended.

(i) EFFECTIVE DATE.—The provisions of this section shall take effect as if included in this Act as enacted on August 4, 1986.

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TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES ASSISTANCE ACT OF 1978

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tribally Controlled Colleges and Universities Assistance Act of 1978".

DEFINITIONS

SEC. 2. (a) For purposes of this Act, the term—

(1) "Indian" means a person who is a member of an Indian tribe;

(2) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaskan Native village or regional or village corporation as defined in or established pursuant to the Alaskan Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(3) "Secretary", unless otherwise designated, means the Secretary of the Interior;

(4) "tribally controlled college or university" means an institution of higher education which is formally controlled, [or has been formally] *and has been formally* sanctioned, or chartered, by the governing body of an Indian tribe or tribes, except that no more than one such institution shall be recognized with respect to any such tribe;

(5) "institution of higher education" means an institution of higher education as defined by section 101 of the Higher Education Act of 1965, except that clause (2) of such section shall not be applicable and the reference to Secretary in clause (5)(A) of such section shall be deemed to refer to the Secretary of the Interior;

(6) "national Indian organization" means an organization which the Secretary finds is nationally based, represents a substantial Indian constituency, and has expertise in the fields of

tribally controlled colleges and universities and Indian higher education;

(7) "Indian student" means a student who is—

(A) a member of an Indian tribe; or

(B) a biological child of a member of an Indian tribe, living or deceased; *and*

(8) "Indian student count" means a number equal to the total number of Indian students enrolled in each tribally controlled college or university, determined in a manner consistent with subsection (b) of this section on the basis of the quotient of the sum of the credit hours of all Indian students so enrolled, divided by twelve[; and].

[(9) "satisfactory progress toward a degree or certificate" has the meaning given to such term by the institution at which the student is enrolled.]

(b) The following conditions shall apply for the purpose of determining the Indian student count pursuant to subsection (a)(8):

[(1) Such number shall be calculated on the basis of the registrations of Indian students as in effect at the conclusion of the third week of each academic term.]

(1) Such number shall be calculated based on the number of Indian students who are enrolled—

(A) at the conclusion of the third week of each academic term; or

(B) on the fifth day of a shortened program beginning after the conclusion of the third full week of an academic term.

(2) Credits earned in classes offered during a summer term shall be counted toward the computation of the Indian student count in the succeeding fall term.

(3) Credits earned by any student who has not obtained a high school degree or its equivalent shall be counted toward the computation of the Indian student count if the institution at which the student is in attendance has established criteria for the admission of such student on the basis of the student's ability to benefit from the education or training offered. The institution shall be presumed to have established such criteria if the admission procedures for such studies include counseling or testing that measures the student's aptitude to successfully complete the course in which the student has enrolled. No credits earned by such student [for purposes of obtaining] *solely for the purpose of obtaining* a high school degree or its equivalent shall be counted toward the computation of the Indian student count.

(4) Indian [students] *individuals 16 years of age or older* earning credits in any continuing education program of a tribally controlled college or university shall be included in determining the sum of all [credit hours.] *credit hours, except that the provisions of paragraphs (1) and (3) shall not apply to any determination under this paragraph.*

(5) Eligible credits earned in a continuing education program—

(A) shall be determined as one credit *hour* for every ten contact hours [in the case of an institution on a quarter system, or 15 contact hours in the case of an institution on

a semester system,] of participation in an organized continuing education experience under responsible sponsorship, capable direction, and qualified instruction, as described in the criteria established by the International Association for Continuing Education and Training; [and]

(B) shall be determined as one academic credit hour for every three continuing education program credits earned in the case of an institution on a semester system (which may be adjusted by the Secretary, if necessary, for institutions using academic periods other than semesters, such as trimesters or quarters); and

[(B)] *(C)* shall be limited to ten percent of the Indian student count of a tribally controlled college or university.

(6) Enrollment data from the prior-prior academic year shall be used.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a)(1) There are authorized to be appropriated to carry out sections 105, 107, 112(b), and 113 such sums as may be necessary for fiscal year 2021 and each of the five succeeding fiscal years.

(2) Funds appropriated pursuant to the authorization under paragraph (1) shall be transferred by the Secretary of the Treasury through the most expeditious method available, with each of the tribally controlled colleges or universities being designated as its own certifying agency.

(b) There are authorized to be appropriated to carry out title III such sums as may be necessary for fiscal year 2021 and each of the five succeeding fiscal years. Any funds appropriated pursuant to this subsection are authorized to remain available until expended.

(c) There are authorized to be appropriated to carry out titles IV and V such sums as may be necessary for fiscal year 2021 and each of the five succeeding fiscal years.

(d)(1) For the purpose of affording adequate notice of funding available under this Act, amounts appropriated in an appropriation Act for any fiscal year to carry out this Act shall become available for obligation on July 1 of that fiscal year and shall remain available until September 30 of the succeeding fiscal year.

(2) In order to effect a transition to the forward funding method of timing appropriation action described in paragraph (1), there are authorized to be appropriated, in an appropriation Act or Acts for the same fiscal year, two separate appropriations to carry out this Act, the first of which shall not be subject to paragraph (1).

TITLE I—TRIBALLY CONTROLLED COLLEGES OR UNIVERSITIES

* * * * * * *

[PLANNING GRANTS

[SEC. 104. (a) The Secretary shall establish a program in accordance with this section to make grants to tribes and tribal entities (1) to conduct planning activities for the purpose of developing proposals for the establishment of tribally controlled colleges or universities, or (2) to determine the need and potential for the establishment of such colleges or universities.

[(b) The Secretary shall establish, by regulation, procedures for the submission and review of applications for grants under this section.

[(c) From the amount appropriated to carry out this title for any fiscal year (exclusive of sums appropriated for section 105), the Secretary shall reserve (and expend) an amount necessary to make grants to five applicants under this section of not more than $15,000 each, or an amount necessary to make grants in that amount to each of the approved applicants, if less than five apply and are approved.]

ANNUAL REPORT ON EMERGING TRIBAL COLLEGES

SEC. 104. Not later than December 31 of each year, the Secretary shall submit a report to the Senate Committee on Indian Affairs, the Senate Committee on Health, Education, Labor and Pensions, the House Committee on Natural Resources, the House Committee on Education and Labor, the Senate Appropriations Subcommittee on the Interior, and the House Appropriations Subcommittee on the Interior on developing and emerging tribally controlled colleges or universities. Such report shall include information on—

(1) inquiries received by the Secretary from federally recognized Indian Tribes and tribal organizations regarding the process for establishing a tribally controlled college or university;

(2) the status of ongoing efforts to establish tribally controlled colleges or universities;

(3) the geographic location, current and projected size, and anticipated application time frame of each reported institution; and

(4) such other data as the Secretary may deem relevant.

* * * * * * *

ELIGIBILITY STUDIES

SEC. 106. (a) The Secretary is authorized to enter into an agreement with the Secretary of Education to assist the [Bureau of Indian Affairs] *Bureau of Indian Education* in developing plans, procedures, and criteria for conducting the eligibility studies required by this section. Such agreement shall provide for continuing technical assistance in the conduct of such studies.

(b) The Secretary, within thirty days after a request by any Indian tribe, shall initiate a eligibility study to determine whether there is justification to encourage and maintain a tribally controlled college or university, and, upon a positive determination, shall aid in the preparation of grant applications and related budgets which will insure successful operation of such an institution. Such a positive determination shall be effective [for the fiscal year succeeding] *for the second fiscal year succeeding* the fiscal year in which such determination is made.

(c) Funds to carry out the purposes of this section for any fiscal year may be [drawn from either—] *drawn from the general administrative appropriations to the Secretary.*

[(1) general administrative appropriations to the Secretary made after the date of enactment of this Act for such fiscal year; or

[(2) not more than 5 per centum of the funds appropriated to carry out section 107 for such fiscal year.]

GRANTS TO TRIBALLY CONTROLLED COLLEGES OR UNIVERSITIES

SEC. 107. (a) Grants shall be made under this title only in response to applications by tribally controlled community colleges or universities. Such applications shall be submitted at such time, in such manner, and will contain or be accompanied by such information as the Secretary may reasonably require pursuant to regulations. Such application shall include a description of recordkeeping procedures for the expenditure of funds received under this Act which will allow the Secretary to audit and monitor programs conducted with such funds. The Secretary shall not consider any grant application unless a eligibility study has been conducted under section 106 and it has been found that the applying college or university will service a reasonable student population.

(b) The Secretary shall consult with the Secretary of Education to determine the reasonable number of students required to support a tribally controlled college or university. Consideration shall be given to such factors as tribal and cultural differences, isolation, the presence of alternate education sources, and proposed curriculum.

(c) Priority in grants shall be [given to institutions which are operating on the date of enactment of this Act and which have a history of service to the Indian people. In the first year for which funds are appropriated to carry out this section, the number of grants shall be limited to not less than eight nor more than fifteen.] *given to institutions which received payments under this title in fiscal year 2019 or were affiliated with an institution which received payments under this title in fiscal year 2019.*

(d) In making grants pursuant to this section, the Secretary shall, to the extent practicable, consult with national Indian *higher education* organizations and with tribal governments chartering the institutions being considered.

AMOUNT OF GRANTS

SEC. 108. (a) REQUIREMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2) and section 111, the Secretary shall, subject to appropriations, grant for each academic year to each tribally controlled college or university having an application approved by the Secretary an amount equal to the product obtained by multiplying—

(A) the Indian student count at such college or university during the academic year preceding the academic year for which such funds are being made available, as determined by the Secretary in accordance with section 2(a)(8); and

(B) $8,000, as adjusted annually for inflation.

[(2) EXCEPTION.—The amount of a grant under paragraph (1) shall not exceed an amount equal to the total cost of the education program provided by the applicable tribally controlled college or university.]

(2) EXCEPTIONS.—

(A) If the sum appropriated for any fiscal year for payments under this section is not sufficient to pay in full the total amount that approved applicants are eligible to receive under this section for such fiscal year, the Secretary shall first allocate to each such applicant that received funds under this part for the preceding fiscal year an amount equal to 100 percent of the product of the per capita payment for the preceding fiscal year and such applicant's Indian student count for the current program year, plus an amount equal to the actual cost of any increase to the per capita figure resulting from inflationary increases to necessary costs beyond the institution's control.

(B) The amount of a grant under paragraph (1) shall not exceed an amount equal to the total cost of the education program provided by the applicable tribally controlled college or university.

(b)(1) The Secretary shall make payments, pursuant to grants under this Act, of not less than 95 percent [of the funds available for allotment by October 15 or no later than 14 days after appropriations become available] *of the amounts appropriated for any fiscal year on or before July 1 of that fiscal year*, with a payment equal to the remainder of any grant to which a grantee is entitled to be made no later than [January 1] *September 30* of each fiscal year.

(2) Notwithstanding any other provision of law, the Secretary shall not, in disbursing funds provided under this title, use any method of payment which was not used during fiscal year 1987 in the disbursement of funds provided under this title.

(3)(A) Notwithstanding any provision of law other than subparagraph (B), any interest or investment income that accrues on any funds provided under this title after such funds are paid to the tribally controlled college or university and before such funds are expended for the purpose for which such funds were provided under this title shall be the property of the tribally controlled college or university and shall not be taken into account by any officer or employee of the Federal Government in determining whether to provide assistance, or the amount of assistance, to the tribally controlled college or university under any provision of Federal law.

(B) All interest or investment income described in subparagraph (A) shall be expended by the tribally controlled college or university by no later than the close of the fiscal year succeeding the fiscal year in which such interest or investment income accrues.

(4) Funds provided under this title may only be invested by the tribally controlled college or university in obligations of the United States or in obligations or securities that are guaranteed or insured by the United States.

(c)(1) Each institution receiving payments under this title shall annually provide to the Secretary an accurate and detailed accounting of its operating and maintenance expenses and such other information concerning costs as the Secretary may request.

(2) The Secretary shall, in consultation with the National Center for Education Statistics, establish a data collection system for the purpose of obtaining accurate information with respect to the needs and costs of operation and maintenance of tribally controlled colleges or universities.

(d) Nothing in this section shall be construed as interfering with, or suspending the obligation of the Bureau for, the implementation of all legislative provisions enacted prior to April 28, 1988, specifically including those of Public Law 98–192.

EFFECT ON OTHER PROGRAMS

SEC. 109. (a) Except as specifically provided in this title, eligibility for assistance under this title shall not, by itself, preclude the eligibility of any tribally controlled college or university to receive Federal financial assistance under any program authorized under the Higher Education Act of 1965 or any other applicable program for the benefit of institutions of higher education, community colleges, or postsecondary educational institutions.

(b)(1) The amount of any grant for which tribally controlled colleges or universities are eligible under section 108 shall not be altered because of funds allocated to any such colleges or universities from funds appropriated under the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13).

(2) No tribally controlled college or university shall be denied funds appropriated under such Act of November 2, 1921, because of the funds it receives under this Act.

(3) No tribally controlled college or university for which a tribe has designated a portion of the funds appropriated for the tribe from funds appropriated under the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13) may be denied a contract for such portion under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) (except as provided in that Act), or denied appropriate contract support to administer such portion of the appropriated funds.

(c) For the purposes of sections 312(2)(A)(i) and 322(a)(2)(A)(i) of the Higher Education Act of 1965, any Indian student who receives a student assistance grant from the [Bureau of Indian Affairs] *Bureau of Indian Education* for postsecondary education shall be deemed to have received such assistance under subpart 1 of part A of title IV of such Act.

[(c)] *(d)* Notwithstanding any other provision of law, funds provided under this title to the tribally controlled college or university may be treated as non-Federal law which requires that non-Federal or private funds of the college or university be used in a project or for a specific purpose.

[APPROPRIATION AUTHORIZATION

[SEC. 110. (a)(1) There is authorized to be appropriated, for the purpose of carrying out section 105, $3,200,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.

[(2) There is authorized to be appropriated for the purpose of carrying out section 107, such sums as may be necessary for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.

[(3) There is authorized to be appropriated for the purpose of carrying out sections 112(b) and 113, such sums as may be necessary for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.

[(4) Funds appropriated pursuant to the authorizations under this section for the fiscal year 2009 and for each of the five succeeding fiscal years shall be transferred by the Secretary of the Treasury through the most expeditious method available, with each of the tribally controlled colleges or universities being designated as its own certifying agency.

[(b)(1) For the purpose of affording adequate notice of funding available under this Act, amounts appropriated in an appropriation Act for any fiscal year to carry out this Act shall become available for obligation on July 1 of that fiscal year and shall remain available until September 30 of the succeeding fiscal year.

[(2) In order to effect a transition to the forward funding method of timing appropriation action described in paragraph (1), there are authorized to be appropriated, in an appropriation Act or Acts for the same fiscal year, two separate appropriations to carry out this Act, the first of which shall not be subject to paragraph (1).]

GRANT ADJUSTMENTS

SEC. 111. (a)(1) If the sums appropriated for any fiscal year pursuant to section [110(a)(2)] *3(a)(2)* for grants under section 107 are not sufficient to pay in full the total amount which approved applicants are eligible to receive under such section for such fiscal year—

(A) the Secretary shall first allocate to each such applicant which received funds under section 107 for the preceding fiscal year an amount equal to 95 percent of the payment received by such applicant under section 108;

(B) the Secretary shall next allocate to applicants who did not receive funds under such section for the preceding fiscal year an amount equal to 100 per centum of the product of—

(i) the per capita payment for the preceding fiscal year; and

(ii) the applicant's projected Indian student count for the academic year for which payment is being made;

in the order in which such applicants have qualified for assistance in accordance with such section so that no amount shall be allocated to a later qualified applicant until each earlier qualified applicant is allocated an amount equal to such product; and

(C) if additional funds remain after making the allocations required by subparagraphs (A) and (B), the Secretary shall allocate such funds by—

(i) ratably increasing the amounts of the grants determined under subparagraph (A) until such grants are equal to 100 per centum of the product described in such subparagraph; and

(ii) then ratably increasing the amounts of both (I) the grants determined under subparagraph (A), as increased under clause (i) of this subparagraph, and (II) the grants determined under subparagraph (B).

(2) For purposes of paragraph (1) of this subsection, the term "per capita payment" for any fiscal year shall be determined by dividing the amount available for grants to tribally controlled colleges or universities under section 107 for such fiscal year by the sum of the Indian student counts of such colleges or universities

for such fiscal year. The Secretary shall, on the basis of the most satisfactory data available, compute the Indian student count for any fiscal year for which such count was not used for the purpose of making allocations under this title.

(b)(1) If the sums appropriated for any fiscal year for grants under section 107 are not sufficient to pay in full the total amount of the grants determined pursuant to subsection (a)(1)(A), the amount which applicants described in such subsection are eligible to receive under section 107 for such fiscal year shall be ratably reduced.

(2) If any additional funds become available for making payments under section 107 for any fiscal year to which subsection (a) or paragraph (1) of this subsection applies, such additional amounts shall be allocated by first increasing grants reduced under paragraph (1) of this subsection on the same basis as they were reduced and by then allocating the remainder in accordance with subsection (a). Sums appropriated in excess of the amount necessary to pay in full the total amounts for which applicants are eligible under section 107 shall be allocated by ratably increasing such total amounts.

(3) References in this subsection and subsection (a) to section 107 shall, with respect to fiscal year 1983, be deemed to refer to section 106 as in effect at the beginning of such fiscal year.

(c) In any fiscal year in which the amounts for which grant recipients are eligible to receive have been reduced under the first sentence of subsection (a) of this section, and in which additional funds have not been made available to pay in full the total of such amounts under the second sentence of such subsection, each grantee shall report to the Secretary any unused portion of received funds ninety days prior to the grant expiration date. The amounts so reported by any grant recipient shall be made available for allocation to eligible grantees on a basis proportionate to the amount which is unfunded as a result of the ratable reduction, but no grant recipient shall receive, as a result of such reallocation, more than the amount provided for under section 107(a) of this title.

[REPORT ON FACILITIES

[SEC. 112. (a) The Secretary shall provide for the conduct of a study of facilities available for use by tribally controlled colleges or universities. Such study shall consider the condition of currently existing Bureau of Indian Affairs facilities which are vacant or underutilized and shall consider available alternatives for renovation, alteration, repair, and reconstruction of such facilities (including renovation, alteration, repair, and reconstruction necessary to bring such facilities into compliance with local building codes). Such study shall also identify the need for new construction. A report on the results of such study shall be submitted to the Congress not later than eighteen months after the date of enactment of the Tribally Controlled Community College Assistance Amendments of 1986. Such report shall also include an identification of property—

[(1) on which structurally sound buildings suitable for use as educational facilities are located, and

[(2) which is available for use by tribally controlled community colleges or universities under section 202(a)(2) of the Federal Property and Administrative Services Act of 1949 (40

U.S.C. 483(a)(2)) and under the Act of August 6, 1956 (70 Stat. 1057; 25 U.S.C. 443a).

[(b) The Secretary, in consultation with the Bureau of Indian Affairs, shall initiate a program to conduct necessary renovations, alterations, repairs, and reconstruction identified pursuant to subsection (a) of this section.

[(c)(1) The Secretary shall enter into a contract with an organization described in paragraph (2) to establish and provide on an annual basis criteria for the determination and prioritization in a consistent and equitable manner of the facilities construction and renovation needs of colleges or universities that receive funding under this Act or the Navajo Community College Act.

[(2) An organization described in this section is any organization that—

[(A) is eligible to receive a contract under the Indian Self-Determination and Education Assistance Act; and

[(B) has demonstrated expertise in areas and issues dealing with tribally controlled colleges or universities.

[(3) The Secretary shall include the priority list established pursuant to this subsection in the budget submitted annually to the Congress.

[(d) For the purposes of this section, the term "reconstruction" has the meaning provided in the first sentence of subparagraph (B) of section 742(2) of the Higher Education Act of 1965 (20 U.S.C. 1132e–1(2)(B)).]

REPORT ON FACILITIES

SEC. 112. (a) The Secretary shall provide for the conduct of a study on the condition of tribally controlled college or university facilities, which, for purposes of this section, shall include the facilities of a Tribal College or University, as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)). Such study shall identify the need for new construction, renovation, and infrastructure enhancements of tribally controlled college or university facilities.

(b) The study required in subsection (a) may be conducted directly by the Secretary or by contract.

(c) A report on the results of the study required in subsection (a) shall be submitted to the Senate Committee on Indian Affairs, the Senate Committee on Health, Education, Labor and Pensions, the House Committee on Natural Resources, the House Committee on Education and Labor, the Senate Appropriations Subcommittee on the Interior, and the House Appropriations Subcommittee on the Interior not later than 18 months after the date of the enactment of the College Affordability Act.

CONSTRUCTION OF NEW FACILITIES

SEC. 113. (a) With respect to any tribally controlled college or university for which the report [of the Administrator of General Services under section 112(a) of this Act] *under section 112(c)* identifies a need for new construction, the Secretary shall, subject to appropriations and on the basis of an application submitted in accordance with such requirements as the Secretary may prescribe by

regulation, provide grants for such construction in accordance with this section.

(b) In order to be eligible for a grant under this section, [a tribally controlled college or university—]

[(1) must be a current recipient of grants under section 105 or 107, and]

[(2)] [must be accredited by a nationally recognized accrediting agency listed by the Secretary of Education pursuant to the last sentence of section 101 of the Higher Education Act of 1965, except that such requirement may be waived if the Secretary determines that there is a reasonable expectation that such college or university will be fully accredited within eighteen months. In any case where such a waiver is granted, grants under this section shall be available only for planning and development of proposals for construction.] *a tribally controlled college or university shall be a Tribal College or University, as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)).*

(c)(1) Except as provided in paragraph (2), grants for construction under this section shall not exceed 80 per centum of the cost of such construction, except that no tribally controlled college or university shall be required to expend more than $400,000 in fulfillment of the remaining 20 per centum. For the purpose of providing its required portion of the cost of such construction, a tribally controlled college or university may use funds provided under the Act of November 2, 1921 (25 U.S.C. 13), popularly referred to as the Snyder Act.

(2) The Secretary may waive, in whole or in part, the requirements of paragraph (1) in the case of any tribally controlled college or university which demonstrates that neither such college or university nor the tribal government with which it is affiliated have sufficient resources to comply with such requirements. The Secretary shall base a decision on whether to grant such a waiver solely on the basis of the following factors: (A) tribal population; (B) potential student population; (C) the rate of unemployment among tribal members; (D) tribal financial resources; and (E) other factors alleged by the college or university to have a bearing on the availability of resources for compliance with the requirements of paragraph (1) and which may include the educational attainment of tribal members.

(d) Activities eligible for a grant under this section shall be activities that address a wide variety of facilities and infrastructure needs including—

(1) building of new facilities;

(2) renovating or expanding existing or acquired facilities;

(3) providing new and existing facilities with equipment and infrastructure, including laboratory equipment, computer infrastructure and equipment, broadband infrastructure and equipment, library books, and furniture; and

(4) property acquisition.

[(d)] *(e)* If, within twenty years after completion of construction of a facility which has been constructed in whole or in part with a grant made available under this section—

(1) the facility ceases to be used by the applicant in a public or nonprofit capacity as an academic facility, unless the Sec-

retary determines that there is good cause for releasing the institution from this obligation, and

(2) the tribe with which the applicant is affiliated fails to use the facility for a public purpose approved by the tribal government in futherance of the general welfare of the community served by the tribal government,

title to the facility shall vest in the United States and the applicant (or such tribe if such tribe is the successor in title to the facility) shall be entitled to recover from the United States an amount which bears the same ratio to the present value of the facility as the amount of the applicant's contribution (excluding any funds provided under the Act of November 2, 1921 (25 U.S.C. 13)) bore to the original cost of the facility. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is located.

[(e)**]** *(f)* No construction assisted with funds under this section shall be used for religious worship or a sectarian activity or for a school or department of divinity.

[(f)**]** *(g)* For the purposes of this section—

(1) the term "construction" includes reconstruction or renovation (as such terms are defined in the first sentence of subparagraph (B) of section 742(2) of the Higher Education Act of 1965 (20 U.S.C. 1132e–1(2)(B))); and

(2) the term "academic facilities" has the meaning provided such term under section 742(1) of the Higher Education Act of 1965 (20 U.S.C. 1132e–1(1)).

MISCELLANEOUS PROVISIONS

SEC. 114. (a) **[**The Navajo**]** *Except as provided in sections 112 and 113, the Navajo* Tribe shall not be eligible to participate under the provisions of this title.

(b)(1) The Secretary shall not provide any funds to any institution which denies admission to any Indian student because such individual is not a member of a specific Indian tribe, or which denies admission to any Indian student because such individual is a member of a specific tribe.

(2) The Secretary shall take steps to recover any unexpended and unobligated funds provided under this title held by an institution determined to be in violation of paragraph (1).

[RULES AND REGULATIONS

[SEC. 115. (a) Within four months from the date of enactment of this Act, the Secretary shall, to the extent practicable, consult with national Indian organizations to consider and formulate appropriate rules and regulations for the conduct of the grant program established by this title.

[(b) Within six months from the date of enactment of this Act, the Secretary shall publish proposed rules and regulations in the Federal Register for the purpose of receiving comments from interested parties.

[(c) Within ten months from the date of enactment of this Act, the Secretary shall promulgate rules and regulations for the conduct of the grant program established by this title.

[(d) Funds to carry out the purposes of this section may be drawn from general administrative appropriations to the Secretary made after the date of enactment of this Act.

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TITLE III—TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY ENDOWMENT PROGRAM

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ESTABLISHMENT OF PROGRAM; PROGRAM AGREEMENTS

SEC. 302. (a) From the amount appropriated pursuant to [section 306] *section 3(b)*, the Secretary shall establish a program of making endowment grants to tribally controlled colleges or universities which are current recipients of assistance under section 107 of this Act or under section 3 of the [Navajo Community College Act] *Diné College Act*. No such college or university shall be ineligible for such a grant for a fiscal year by reason of the receipt of such a grant for a preceding fiscal year, but no such college or university shall be eligible for such a grant for a fiscal year if such college or university has been awarded a grant under section 331 of the Higher Education Act of 1965 for such fiscal year.

(b) No grant for the establishment of an endowment fund by a tribally controlled college or university shall be made unless such college or university enters into an agreement with the Secretary which—

(1) provides for the investment and maintenance of a trust fund, the corpus and earnings of which shall be invested in the same manner as funds are invested under paragraph (2) of section 331(c) of the Higher Education Act of 1965, except that for purposes of this paragraph, the term "trust fund" means a fund established by an institution of higher education or by a foundation that is exempt from taxation and is maintained for the purpose of generating income for the support of the institution, and may include real estate;

(2) provides for the deposit in such trust fund of—

(A) any Federal capital contributions made from funds appropriated under [section 306] *section 3(b)*;

(B) a capital contribution by such college or university in an amount (or of a value) equal to half of the amount of each Federal capital contribution; and

(C) any earnings of the funds so deposited;

(3) provides that such funds will be deposited in such a manner as to insure the accumulation of interest thereon at a rate not less than that generally available for similar funds deposited at the banking or savings institution for the same period or periods of time;

(4) provides that, if at any time such college or university withdraws any capital contribution made by that college or university, an amount of Federal capital contribution equal to twice the amount of (or value of) such withdrawal shall be withdrawn and returned to the Secretary for reallocation to other colleges or universities;

(5) provides that no part of the net earnings of such trust fund will inure to the benefit of any private person; and

(6) includes such other provisions as may be necessary to protect the financial interest of the United States and promote the purpose of this title and as are agreed to by the Secretary and the college or university, including a description of record-keeping procedures for the expenditure of accumulated interest which will allow the Secretary to audit and monitor programs and activities conducted with such interest.

(c) The period of a grant under this section shall be not more than 20 years. During the grant period, an institution may withdraw and expend interest income generated by the endowment for any operating or academic purpose. An institution may not withdraw or expend any of the endowment fund corpus. After the termination of the grant period, an institution may use the endowment fund corpus for any operating or academic purpose.

(d)(1) If at any time during the grant period an institution withdraws part of the endowment fund corpus, the institution shall repay to the Secretary an amount equal to 150 percent of the withdrawn amount. The Secretary may use up to 75 percent of such repaid funds to make additional endowment grants to, or to increase existing endowment grants at, other eligible institutions.

(2) Notwithstanding subsection (c) and paragraph(1), the Secretary may allow an institution to expend part of the endowment fund corpus if the institution demonstrates such an expenditure is necessary because of—

(A) a financial emergency, such as a pending insolvency or temporary liquidity problem;

(B) a life-threatening situation occasioned by a natural disaster or arson; or

(C) any other unusual occurrence or exigent circumstance.

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ALLOCATION OF FUNDS

SEC. 305. (a) From the amount appropriated pursuant to [section 306] *section 3(b)*, the Secretary shall allocate to each tribally controlled college or university which is eligible for an endowment grant under this title an amount for a Federal capital contribution equal to twice the value of the property or the amount which such college or university demonstrates has been placed within the control of, or irrevocably committed to the use of, the college or university and is available for deposit as a capital contribution of that college or university in accordance with section 302(b)(2)(B), except that the maximum amount which may be so allocated to any such college or university for any fiscal year shall not exceed $750,000.

(b) If for any fiscal year the amount appropriated pursuant to [section 306] *section 3(b)* is not sufficient to allocate to each tribally controlled college or university an amount equal to twice the value of the property or the amount demonstrated by such college or university pursuant to subsection (a), then the amount of the allocation to each such college or university shall be ratably reduced.

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 306. (a) There are authorized to be appropriated to carry out the provisions of this title, $10,000,000 for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.

[(b) Any funds appropriated pursuant to subsection (a) are authorized to remain available until expended.]

TITLE IV—TRIBAL ECONOMIC DEVELOPMENT

SEC. 401. SHORT TITLE.

This title may be cited as the "Tribal Economic Development and Technology Related Education Assistance Act of 1990".

SEC. 402. GRANTS AUTHORIZED.

(a) GENERAL AUTHORITY.—The Secretary is authorized, subject to the availability of appropriations, to make grants to tribally controlled colleges or universities which receive grants under either this Act or the [Navajo Community College Act] *Diné College Act* for the establishment and support of tribal economic development and education institutes. Each program conducted with assistance under a grant under this subsection shall include at least the following activities:

(1) Determination of the economic development needs and potential of the Indian tribes involved in the program, including agriculture and natural resource needs.

(2) Development of consistent courses of instruction to prepare postsecondary students, tribal officials and others to meet the needs defined under paragraph (1). The development of such courses may be coordinated with secondary institutions to the extent practicable.

(3) The conduct of vocational courses, including administrative expenses and student support services.

(4) Technical assistance and training to Federal, tribal and community officials and business managers and planners deemed necessary by the institution to enable full implementation of, and benefits to be derived from, the program developed under paragraph (1).

(5) Clearinghouse activities encouraging the coordination of, and providing a point for the coordination of, all vocational activities (and academically related training) serving all students of the Indian tribe involved in the grant.

(6) The evaluation of such grants and their effect on the needs developed under paragraph (1) and tribal economic self-sufficiency.

(b) AMOUNT AND DURATION.—The grants shall be of such amount and duration as to afford the greatest opportunity for success and the generation of relevant data.

(c) APPLICATIONS.—Institutions which receive funds under other titles of this Act or the [Navajo Community College Act] *Diné College Act* may apply for grants under this title either individually or as consortia. Each applicant shall act in cooperation with an Indian tribe or tribes in developing and implementing a grant under this part.

[SEC. 403. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated for grants under this title, such sums as may be necessary for fiscal year 2009 and such sums as may be necessary for each of the five succeeding fiscal years.]

TITLE V—TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS

* * * * * * *

SEC. 502. TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS PROGRAM.

(a) IN GENERAL.—[Subject to the availability of appropriations, for fiscal year 2009 and each fiscal year thereafter,] *From the amount made available under section 3(c) for each fiscal year,* the Secretary shall—

(1) subject to subsection (b), select two tribally controlled postsecondary career and technical institutions to receive assistance under this title; and

(2) provide funding to the selected tribally controlled postsecondary career and technical institutions to pay the costs (including institutional support costs) of operating postsecondary career and technical education programs for Indian students at the tribally controlled postsecondary career and technical institutions.

(b) SELECTION OF CERTAIN INSTITUTIONS.—

(1) REQUIREMENT.—For each fiscal year during which the Secretary determines that a tribally controlled postsecondary career and technical institution described in paragraph (2) meets the definition referred to in section 501, the Secretary shall select that tribally controlled postsecondary career and technical institution under subsection (a)(1) to receive funding under this section.

(2) INSTITUTIONS.—The two tribally controlled postsecondary career and technical institutions referred to in paragraph (1) are—

(A) the United Tribes Technical College; and

(B) the Navajo Technical College.

(c) METHOD OF PAYMENT.—For each applicable fiscal year, the Secretary shall provide funding under this section to each tribally controlled postsecondary career and technical institution selected for the fiscal year under subsection (a)(1) in a lump sum payment for the fiscal year.

(d) DISTRIBUTION.—

(1) IN GENERAL.—[For fiscal year 2009 and each fiscal year thereafter, of amounts made available pursuant to section 504,] *From the amount made available under section 3(c) for each fiscal year,* the Secretary shall distribute to each tribally controlled postsecondary career and technical institution selected for the fiscal year under subsection (a)(1) an amount equal to the greater of—

(A) the total amount appropriated for the tribally controlled postsecondary career and technical institution for fiscal year 2006; or

(B) the total amount appropriated for the tribally controlled postsecondary career and technical institution for fiscal year 2008.

(2) EXCESS AMOUNTS.—If, for any fiscal year, the amount made available pursuant to section 504 exceeds the sum of the amounts required to be distributed under paragraph (1) to the tribally controlled postsecondary career and technical institutions selected for the fiscal year under subsection (a)(1), the Secretary shall distribute to each tribally controlled postsecondary career and technical institution selected for that fiscal year a portion of the excess amount, to be determined by—

(A) dividing the excess amount by the aggregate Indian student count (as defined in section 117(h) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2327(h)) of such institutions for the prior academic year; and

(B) multiplying the quotient described in subparagraph (A) by the Indian student count of each such institution for the prior academic year.

SEC. 503. APPLICABILITY OF OTHER LAWS.

[(a) IN GENERAL.—Paragraphs (4) and (8) of subsection (a), and subsection (b), of section 2, sections 105, 108, 111, 112 and 113, and titles II, III, and IV shall not apply to this title.]

(a) PARTICIPATION OF TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS UNDER OTHER TITLES.—For purposes of the preceding titles of this Act, a tribally controlled postsecondary career and technical institution shall not be considered to be a tribally controlled college or university except as follows:

(1) For purposes of section 105(a)(1), the Secretary shall provide, upon request from a tribally controlled postsecondary career and technical institution, technical assistance either directly or through contract.

(2) For purposes of section 113, title III, and title IV, a tribally controlled postsecondary career and technical institution shall be considered to be a tribally controlled college or university.

(b) INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE.—Funds made available pursuant to this title shall be subject to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

(c) ELECTION TO RECEIVE.—A tribally controlled postsecondary career and technical institution selected for a fiscal year under section 502(b) may elect to receive funds pursuant to section 502 in accordance with an agreement between the tribally controlled postsecondary career and technical institution and the Secretary under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) if the agreement is in existence on the date of enactment of the Higher Education Opportunity Act.

(d) OTHER ASSISTANCE.—Eligibility for, or receipt of, assistance under this title shall not preclude the eligibility of a tribally controlled postsecondary career and technical institution to receive Federal financial assistance under—

(1) any program under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.);

(2) any program under the Carl D. Perkins Career and Technical Education Act of 2006; or

(3) any other applicable program under which a benefit is provided for—

(A) institutions of higher education;

(B) community colleges; or

(C) postsecondary educational institutions.

[SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated such sums as are necessary for fiscal year 2009 and each fiscal year thereafter to carry out this title.**]**

GENERAL EDUCATION PROVISIONS ACT

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PART C—GENERAL REQUIREMENTS AND CONDITIONS CONCERNING THE OPERATION AND ADMINISTRATION OF EDUCATION PROGRAMS; GENERAL AUTHORITY OF THE SECRETARY

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SUBPART 4—RECORDS; PRIVACY; LIMITATION ON WITHHOLDING FEDERAL FUNDS

* * * * * * *

PROTECTION OF THE RIGHTS AND PRIVACY OF PARENTS AND STUDENTS

SEC. 444. (a)(1)(A) No funds shall be made available under any applicable program to any educational agency or institution which has a policy of denying, or which effectively prevents, the parents of students who are or have been in attendance at a school of such agency or at such institution, as the case may be, the right to inspect and review the educational records of their children. If any material or document in the education record of a student includes information on more than one student, the parents of one of such students shall have the right to inspect and review only such part of such material or document as relates to such student or to be informed of the specific information contained in such part of such material. Each educational agency or institution shall establish appropriate procedures for the granting of a request by parents for access to the education records of their children within a reasonable period of time, but in no case more than forty-five days after the request has been made.

(B) No funds under any applicable program shall be made available to any State educational agency (whether or not that agency is an educational agency or institution under this section) that has a policy of denying, or effectively prevents, the parents of students the right to inspect and review the education records maintained by the State educational agency on their children who are or have been in attendance at any school of an educational agency or institution that is subject to the provisions of this section.

(C) The first sentence of subparagraph (A) shall not operate to make available to students in institutions of postsecondary education the following materials:

(i) financial records of the parents of the student or any information contained therein;

(ii) confidential letters and statements of recommendation, which were placed in the education records prior to January 1, 1975, if such letters or statements are not used for purposes other than those for which they were specifically intended;

(iii) if the student has signed a waiver of the student's right of access under this subsection in accordance with subparagraph (D), confidential recommendations—

(I) respecting admission to any educational agency or institution,

(II) respecting an application for employment, and

(III) respecting the receipt of an honor or honorary recognition.

(D) A student or a person applying for admission may waive his right of access to confidential statements described in clause (iii) of subparagraph (C), except that such waiver shall apply to recommendations only if (i) the student is, upon request, notified of the names of all persons making confidential recommendations and (ii) such recommendations are used solely for the purposes for which they were specifically intended. Such waivers may not be required as a condition for admission to, receipt of financial aid from, or receipt of any other services or benefits from such agency or institution.

(2) No funds shall be made available under any applicable program to any educational agency or institution unless the parents of students who are or have been in attendance at a school of such agency or at such institution are provided an opportunity for a hearing by such agency or institution, in accordance with regulations of the Secretary, to challenge the content of such student's educational records, in order to insure that the records are not inaccurate, misleading, or otherwise in violation of the privacy rights of students, and to provide an opportunity for the correction or deletion of any such inaccurate, misleading, or otherwise inappropriate data contained therein and to insert into such records a written explanation of the parents respecting the content of such records.

(3) For the purposes of this section the term "educational agency or institution" means any public or private agency or institution which is the recipient of funds under any applicable program.

(4)(A) For the purposes of this section, the term "education records" means, except as may be provided otherwise in subparagraph (B), those records, files, documents, and other materials, which—

(i) contain information directly related to a student; and

(ii) are maintained by an educational agency or institution, or by a person acting for such agency or institution.

(B) The term "education records" does not include—

(i) records of instructional, supervisory, and administrative personnel and educational personnel ancillary thereto which are in the sole possession of the maker thereof and which are

not accessible or revealed to any other person except a substitute;

(ii) records maintained by a law enforcement unit of the educational agency or institution that were created by that law enforcement unit for the purpose of law enforcement;

(iii) in the case of persons who are employed by an educational agency or institution but who are not in attendance at such agency or institution, records made and maintained in the normal course of business which relate exclusively to such person in that person's capacity as an employee and are not available for use for any other purpose; or

(iv) records on a student who is eighteen years of age or older, or is attending an institution of postsecondary education, which are made or maintained by a physician, psychiatrist, psychologist, or other recognized professional or paraprofessional acting in his professional or paraprofessional capacity, or assisting in that capacity, and which are made, maintained, or used only in connection with the provision of treatment to the student, and are not available to anyone other than persons providing such treatment, except that such records can be personally reviewed by a physician or other appropriate professional of the student's choice.

(5)(A) For the purposes of this section the term "directory information" relating to a student includes the following: the student's name, address, telephone listing, date and place of birth, major field of study, participation in officially recognized activities and sports, weight and height of members of athletic teams, dates of attendance, degrees and awards received, and the most recent previous educational agency or institution attended by the student.

(B) Any educational agency or institution making public directory information shall give public notice of the categories of information which it has designated as such information with respect to each student attending the institution or agency and shall allow a reasonable period of time after such notice has been given for a parent to inform the institution or agency that any or all of the information designated should not be released without the parent's prior consent.

(6) For the purposes of this section, the term "student" includes any person with respect to whom an educational agency or institution maintains education records or personally identifiable information, but does not include a person who has not been in attendance at such agency or institution.

(b)(1) No funds shall be made available under any applicable program to any educational agency or institution which has a policy or practice of permitting the release of education records (or personally identifiable information contained therein other than directory information, as defined in paragraph (5) of subsection (a)) of students without the written consent of their parents to any individual, agency, or organization, other than to the following—

(A) other school officials, including teachers within the educational institution or local educational agency, who have been determined by such agency or institution to have legitimate educational interests, including the educational interests of the child for whom consent would otherwise be required;

(B) officials of other schools or school systems in which the student seeks or intends to enroll, upon condition that the student's parents be notified of the transfer, receive a copy of the record if desired, and have an opportunity for a hearing to challenge the content of the record;

(C)(i) authorized representatives of (I) the Comptroller General of the United States, (II) the Secretary, or (III) State educational authorities, under the conditions set forth in paragraph (3), or (ii) authorized representatives of the Attorney General for law enforcement purposes under the same conditions as apply to the Secretary under paragraph (3);

(D) in connection with a student's application for, or receipt of, financial aid;

(E) State and local officials or authorities to whom such information is specifically allowed to be reported or disclosed pursuant to State statute adopted—

(i) before November 19, 1974, if the allowed reporting or disclosure concerns the juvenile justice system and such system's ability to effectively serve the student whose records are released, or

(ii) after November 19, 1974, if—

(I) the allowed reporting or disclosure concerns the juvenile justice system and such system's ability to effectively serve, prior to adjudication, the student whose records are released; and

(II) the officials and authorities to whom such information is disclosed certify in writing to the educational agency or institution that the information will not be disclosed to any other party except as provided under State law without the prior written consent of the parent of the student.

(F) organizations conducting studies for, or on behalf of, educational agencies or institutions for the purpose of developing, validating, or administering predictive tests, administering student aid programs, and improving instruction, if such studies are conducted in such a manner as will not permit the personal identification of students and their parents by persons other than representatives of such organizations and such information will be destroyed when no longer needed for the purpose for which it is conducted;

(G) accrediting organizations in order to carry out their accrediting functions;

(H) parents of a dependent student of such parents, as defined in section 152 of the Internal Revenue Code of 1986;

(I) subject to regulations of the Secretary, in connection with an emergency, appropriate persons if the knowledge of such information is necessary to protect the health or safety of the student or other persons;

(J)(i) the entity or persons designated in a Federal grand jury subpoena, in which case the court shall order, for good cause shown, the educational agency or institution (and any officer, director, employee, agent, or attorney for such agency or institution) on which the subpoena is served, to not disclose to any person the existence or contents of the subpoena or any in-

formation furnished to the grand jury in response to the subpoena; and

(ii) the entity or persons designated in any other subpoena issued for a law enforcement purpose, in which case the court or other issuing agency may order, for good cause shown, the educational agency or institution (and any officer, director, employee, agent, or attorney for such agency or institution) on which the subpoena is served, to not disclose to any person the existence or contents of the subpoena or any information furnished in response to the subpoena;

(K) the Secretary of Agriculture, or authorized representative from the Food and Nutrition Service or contractors acting on behalf of the Food and Nutrition Service, for the purposes of conducting program monitoring, evaluations, and performance measurements of State and local educational and other agencies and institutions receiving funding or providing benefits of 1 or more programs authorized under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) for which the results will be reported in an aggregate form that does not identify any individual, on the conditions that—

(i) any data collected under this subparagraph shall be protected in a manner that will not permit the personal identification of students and their parents by other than the authorized representatives of the Secretary; and

(ii) any personally identifiable data shall be destroyed when the data are no longer needed for program monitoring, evaluations, and performance measurements**[**; and**]***;*

(L) an agency caseworker or other representative of a State or local child welfare agency, or tribal organization (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), who has the right to access a student's case plan, as defined and determined by the State or tribal organization, when such agency or organization is legally responsible, in accordance with State or tribal law, for the care and protection of the student, provided that the education records, or the personally identifiable information contained in such records, of the student will not be disclosed by such agency or organization, except to an individual or entity engaged in addressing the student's education needs and authorized by such agency or organization to receive such disclosure and such disclosure is consistent with the State or tribal laws applicable to protecting the confidentiality of a student's education records**[**.**]***; and*

(M) an institution of postsecondary education in which the student was previously enrolled, to which records of postsecondary coursework and credits are sent for the purpose of applying such coursework and credits toward completion of a recognized postsecondary credential (as that term is defined in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102)), upon condition that the student provides written consent prior to receiving such credential.

Nothing in subparagraph (E) of this paragraph shall prevent a State from further limiting the number or type of State or local officials who will continue to have access thereunder.

(2) No funds shall be made available under any applicable program to any educational agency or institution which has a policy or practice of releasing, or providing access to, any personally identifiable information in education records other than directory information, or as is permitted under paragraph (1) of this subsection, unless—

(A) there is written consent from the student's parents specifying records to be released, the reasons for such release, and to whom, and with a copy of the records to be released to the student's parents and the student if desired by the parents, or

(B) except as provided in paragraph (1)(J), such information is furnished in compliance with judicial order, or pursuant to any lawfully issued subpoena, upon condition that parents and the students are notified of all such orders or subpoenas in advance of the compliance therewith by the educational institution or agency, except when a parent is a party to a court proceeding involving child abuse and neglect (as defined in section 3 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 note)) or dependency matters, and the order is issued in the context of that proceeding, additional notice to the parent by the educational agency or institution is not required.

(3) Nothing contained in this section shall preclude authorized representatives of (A) the Comptroller General of the United States, (B) the Secretary, or (C) State educational authorities from having access to student or other records which may be necessary in connection with the audit and evaluation of Federally-supported education program, or in connection with the enforcement of the Federal legal requirements which relate to such programs: *Provided,* That except when collection of personally identifiable information is specifically authorized by Federal law, any data collected by such officials shall be protected in a manner which will not permit the personal identification of students and their parents by other than those officials, and such personally identifiable data shall be destroyed when no longer needed for such audit, evaluation, and enforcement of Federal legal requirements.

(4)(A) Each educational agency or institution shall maintain a record, kept with the education records of each student, which will indicate all individuals (other than those specified in paragraph (1)(A) of this subsection), agencies, or organizations which have requested or obtained access to a student's education records maintained by such educational agency or institution, and which will indicate specifically the legitimate interest that each such person, agency, or organization has in obtaining this information. Such record of access shall be available only to parents, to the school official and his assistants who are responsible for the custody of such records, and to persons or organizations authorized in, and under the conditions of, clauses (A) and (C) of paragraph (1) as a means of auditing the operation of the system.

(B) With respect to this subsection, personal information shall only be transferred to a third party on the condition that such party will not permit any other party to have access to such information without the written consent of the parents of the student.

If a third party outside the educational agency or institution permits access to information in violation of paragraph (2)(A), or fails to destroy information in violation of paragraph (1)(F), the educational agency or institution shall be prohibited from permitting access to information from education records to that third party for a period of not less than five years.

(5) Nothing in this section shall be construed to prohibit State and local educational officials from having access to student or other records which may be necessary in connection with the audit and evaluation of any federally or State supported education program or in connection with the enforcement of the Federal legal requirements which relate to any such program, subject to the conditions specified in the proviso in paragraph (3).

(6)(A) Nothing in this section shall be construed to prohibit an institution of postsecondary education from disclosing, to an alleged victim of any crime of violence (as that term is defined in section 26 of title 18, United States Code), or a nonforcible sex offense, the final results of any disciplinary proceeding conducted by such institution against the alleged perpetrator of such crime or offense with respect to such crime or offense.

(B) Nothing in this section shall be construed to prohibit an institution of postsecondary education from disclosing the final results of any disciplinary proceeding conducted by such institution against a student who is an alleged perpetrator of any crime of violence (as that term is defined in section 16 of title 18, United States Code), or a nonforcible sex offense, if the institution determines as a result of that disciplinary proceeding that the student committed a violation of the institution's rules or policies with respect to such crime or offense.

(C) For the purpose of this paragraph, the final results of any disciplinary proceeding—

(i) shall include only the name of the student, the violation committed, and any sanction imposed by the institution on that student; and

(ii) may include the name of any other student, such as a victim or witness, only with the written consent of that other student.

(7)(A) Nothing in this section may be construed to prohibit an educational institution from disclosing information provided to the institution under section 170101 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071) concerning registered sex offenders who are required to register under such section.

(B) The Secretary shall take appropriate steps to notify educational institutions that disclosure of information described in subparagraph (A) is permitted.

(c) Not later than 240 days after the date of enactment of the Improving America's Schools Act of 1994, the Secretary shall adopt appropriate regulations or procedures, or identify existing regulations or procedures, which protect the rights of privacy of students and their families in connection with any surveys or data-gathering activities conducted, assisted, or authorized by the Secretary or an administrative head of an education agency. Regulations established under this subsection shall include provisions controlling the use, dissemination, and protection of such data. No survey or data-

gathering activities shall be conducted by the Secretary, or an administrative head of an education agency under an applicable program, unless such activities are authorized by law.

(d) For the purposes of this section, whenever a student has attained eighteen years of age, or is attending an institution of postsecondary education, the permission or consent required of and the rights accorded to the parents of the student shall thereafter only be required of and accorded to the student.

(e) No funds shall be made available under any applicable program to any educational agency or institution unless such agency or institution effectively informs the parents of students, or the students, if they are eighteen years of age or older, or are attending an institution of postsecondary education, of the rights accorded them by this section.

(f) The Secretary shall take appropriate actions to enforce this section and to deal with violations of this section, in accordance with this Act, except that action to terminate assistance may be taken only if the Secretary finds there has been a failure to comply with this section, and he has determined that compliance cannot be secured by voluntary means.

(g) The Secretary shall establish or designate an office and review board within the Department for the purpose of investigating, processing, reviewing, and adjudicating violations of this section and complaints which may be filed concerning alleged violations of this section. Except for the conduct of hearings, none of the functions of the Secretary under this section shall be carried out in any of the regional offices of such Department.

(h) Nothing in this section shall prohibit an educational agency or institution from—

(1) including appropriate information in the education record of any student concerning disciplinary action taken against such student for conduct that posed a significant risk to the safety or well-being of that student, other students, or other members of the school community; or

(2) disclosing such information to teachers and school officials, including teachers and school officials in other schools, who have legitimate educational interests in the behavior of the student.

(i) DRUG AND ALCOHOL VIOLATION DISCLOSURES.—

(1) IN GENERAL.—Nothing in this Act or the Higher Education Act of 1965 shall be construed to prohibit an institution of higher education from disclosing, to a parent or legal guardian of a student, information regarding any violation of any Federal, State, or local law, or of any rule or policy of the institution, governing the use or possession of alcohol or a controlled substance, regardless of whether that information is contained in the student's education records, if—

(A) the student is under the age of 21; and

(B) the institution determines that the student has committed a disciplinary violation with respect to such use or possession.

(2) STATE LAW REGARDING DISCLOSURE.—Nothing in paragraph (1) shall be construed to supersede any provision of State law that prohibits an institution of higher education from making the disclosure described in subsection (a).

(j) INVESTIGATION AND PROSECUTION OF TERRORISM.—

(1) IN GENERAL.—Notwithstanding subsections (a) through (i) or any provision of State law, the Attorney General (or any Federal officer or employee, in a position not lower than an Assistant Attorney General, designated by the Attorney General) may submit a written application to a court of competent jurisdiction for an ex parte order requiring an educational agency or institution to permit the Attorney General (or his designee) to—

(A) collect education records in the possession of the educational agency or institution that are relevant to an authorized investigation or prosecution of an offense listed in section 2332b(g)(5)(B) of title 18 United States Code, or an act of domestic or international terrorism as defined in section 2331 of that title; and

(B) for official purposes related to the investigation or prosecution of an offense described in paragraph (1)(A), retain, disseminate, and use (including as evidence at trial or in other administrative or judicial proceedings) such records, consistent with such guidelines as the Attorney General, after consultation with the Secretary, shall issue to protect confidentiality.

(2) APPLICATION AND APPROVAL.—

(A) IN GENERAL.—An application under paragraph (1) shall certify that there are specific and articulable facts giving reason to believe that the education records are likely to contain information described in paragraph (1)(A).

(B) The court shall issue an order described in paragraph (1) if the court finds that the application for the order includes the certification described in subparagraph (A).

(3) PROTECTION OF EDUCATIONAL AGENCY OR INSTITUTION.—An educational agency or institution that, in good faith, produces education records in accordance with an order issued under this subsection shall not be liable to any person for that production.

(4) RECORD-KEEPING.—Subsection (b)(4) does not apply to education records subject to a court order under this subsection.

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EDUCATION SCIENCES REFORM ACT OF 2002

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TITLE I—EDUCATION SCIENCES REFORM

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PART C—NATIONAL CENTER FOR EDUCATION STATISTICS

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SEC. 153. DUTIES.

(a) GENERAL DUTIES.—The Statistics Center shall collect, report, analyze, and disseminate statistical data related to education in the United States and in other nations, including—

(1) collecting, acquiring, compiling (where appropriate, on a State-by-State basis), and disseminating full and complete statistics (disaggregated by the population characteristics described in paragraph (3)) on the condition and progress of education, at the preschool, elementary, secondary, postsecondary, and adult levels in the United States, including data on—

(A) State and local education reform activities;

(B) State and local early childhood school readiness activities;

(C) student achievement in, at a minimum, the core academic areas of reading, mathematics, and science at all levels of education;

(D) secondary school completions, dropouts, and adult literacy and reading skills;

(E) access to, and opportunity for, postsecondary education, including data on financial aid to postsecondary students;

(F) teaching, including—

(i) data on in-service professional development, including a comparison of courses taken in the core academic areas of reading, mathematics, and science with courses in noncore academic areas, including technology courses; and

(ii) the percentage of teachers who are highly qualified (as such term is defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)) in each State and, where feasible, in each local educational agency and school;

(G) instruction, the conditions of the education workplace, and the supply of, and demand for, teachers;

(H) the incidence, frequency, seriousness, and nature of violence affecting students, school personnel, and other individuals participating in school activities, as well as other indices of school safety, including information regarding—

(i) the relationship between victims and perpetrators;

(ii) demographic characteristics of the victims and perpetrators; and

(iii) the type of weapons used in incidents, as classified in the Uniform Crime Reports of the Federal Bureau of Investigation;

(I) the financing and management of education, including data on revenues and expenditures;

(J) the social and economic status of children, including their academic achievement;

(K) the existence and use of educational technology and access to the Internet by students and teachers in elementary schools and secondary schools;

(L) access to, and opportunity for, early childhood education;

(M) the availability of, and access to, before-school and after-school programs (including such programs during school recesses);

(N) student participation in and completion of secondary and postsecondary vocational and technical education programs by specific program area; and

(O) the existence and use of school libraries;

(2) conducting and publishing reports on the meaning and significance of the statistics described in paragraph (1);

(3) collecting, analyzing, cross-tabulating, and reporting, to the extent [feasible, information] *feasible*—

(A) information by gender, race, ethnicity, socioeconomic status, limited English proficiency, mobility, disability, urban, rural, suburban districts, and other population characteristics, when such disaggregated information will facilitate educational and policy decisionmaking; *and*

(B) information from the Integrated Postsecondary Education Data Survey, the postsecondary student data system established under section 132(l), or a successor system (whichever includes the most recent data), that is disaggregated by race in a manner that captures all the racial groups specified in the American Community Survey of the Bureau of the Census;

(4) assisting public and private educational agencies, organizations, and institutions in improving and automating statistical and data collection activities, which may include assisting State educational agencies and local educational agencies with the disaggregation of data and with the development of longitudinal student data systems;

(5) determining voluntary standards and guidelines to assist State educational agencies in developing statewide longitudinal data systems that link individual student data consistent with the requirements of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), promote linkages across States, and protect student privacy consistent with section 183, to improve student academic achievement and close achievement gaps;

(6) acquiring and disseminating data on educational activities and student achievement (such as the Third International Math and Science Study) in the United States compared with foreign nations;

(7) conducting longitudinal and special data collections necessary to report on the condition and progress of education;

(8) assisting the Director in the preparation of a biennial report, as described in section 119; and

(9) determining, in consultation with the National Research Council of the National Academies, methodology by which States may accurately measure graduation rates (defined as the percentage of students who graduate from secondary school with a regular diploma in the standard number of years), school completion rates, and dropout rates.

(b) TRAINING PROGRAM.—The Statistics Commissioner may establish a program to train employees of public and private educational agencies, organizations, and institutions in the use of standard statistical procedures and concepts, and may establish a fellowship

program to appoint such employees as temporary fellows at the Statistics Center, in order to assist the Statistics Center in carrying out its duties.

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SECTION 1710 OF THE UNITED STATES INSTITUTE OF PEACE ACT

FUNDING

SEC. 1710.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—For the purpose of carrying out this title, there are authorized to be appropriated such sums as may be necessary for [fiscal years 2009 through 2014] *fiscal year 2021 and each of the 5 succeeding fiscal years*.

(2) AVAILABILITY.—Funds appropriated pursuant to the authority of paragraph (1) shall remain available until expended.

(b) The Board of Directors may transfer to the legal entity authorized to be established under section 1704(c) any funds not obligated or expended from appropriations to the Institute for a fiscal year, and such funds shall remain available for obligation or expenditure for the purposes of such legal entity without regard to fiscal year limitations. Any use by such legal entity of appropriated funds shall be reported to each House of the Congress and to the President of the United States.

(c) Any authority provided by this title to enter into contracts shall be effective for a fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

(d) EXTENSION.—Any authorization of appropriations made for the purposes of carrying out this title shall be extended in the same manner as applicable programs are extended under section 422 of the General Education Provisions Act.

MINORITY VIEWS

INTRODUCTION—THE NEED FOR REFORM

There is urgent and growing need to reform the *Higher Education Act of 1965* (HEA), a law authorizing the annual disbursement of billions of federal taxpayer dollars in institutional and student aid. Reform is necessary because the postsecondary education system is not serving America's college students well. Tuition is skyrocketing, millions of students do not complete their program, and the haphazard transition from classroom to career is murky. Unfortunately, H.R. 4674, the *College Affordability Act*, would double down on the failing status quo rather than address the root causes of these issues.

Excessive tuition hikes have made college increasingly unaffordable. Tuition and fees at institutions are rising over 3 percent beyond inflation and have for decades.[1] If the cost of a new car had risen as fast as tuition over the last three decades, then the average new vehicle today would cost more than $80,000.[2] Over 80 percent of parents say four-year schools charge too much, and about 50 percent of parents think four-year schools are inaccessible to middle-class Americans.[3]

At the same time, completion rates are low and stagnant. Colleges enroll but do not graduate students, and non-completers struggle to repay their student loans. The four-year completion rate for a baccalaureate degree for the 2012 starting cohort is 43.7 percent[4] and each additional year of school in a public baccalaureate degree-granting college will cost a student $22,826 on average.[5] The total cost of not graduating on time exceeds $60,000 per year when factoring in lost wages.[6]

A postsecondary education system that does not prepare students for careers has real consequences for employers and society. Just 13 percent of the country believes college graduates are well prepared for success in the workplace.[7] This disconnect between education and workforce development is a contributing factor to the over 7 million unfilled jobs nationwide as of late 2019.[8]

The recent worldwide pandemic exposed the weaknesses of the current federal approach. At a recent Committee hearing, President of Western Governors University Scott Pulsipher summed up the

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[1] https://trends.collegeboard.org/sites/default/files/2017-trends-in-college-pricing_0.pdf
[2] https://www.nytimes.com/2015/04/05/opinion/sunday/the-real-reason-college-tuition-costs-so-much.html
[3] https://static01.nytimes.com/files/2018/op-ed/0319poll.pdf
[4] https://nces.ed.gov/programs/digest/d19/tables/dt19_326.10.asp?current=yes
[5] https://completecollege.org/article/new-report-4-year-degrees-now-a-myth-in-american-higher-education/
[6] *Id.*
[7] http://news.gallup.com/opinion/gallup/182867/america-no-confidence-vote-college-grads-work-readiness.aspx
[8] https://www.bls.gov/news.release/jolts.a.htm

enormous roadblocks our existing rigid system puts in front of students:

> *Current students also have unique pressures such as navigating unanticipated online learning experiences, potentially without adequate broadband or sufficient support; attempting to choose fields of study that will provide them with a sound return on their investment at a time when unemployment is at a record high; and mapping out a plan of study on a fixed academic calendar at a time when they may only be able to reasonably predict their financial and time capacity a week at a time. Students need education more than ever, but the circumstances of COVID create additional barriers to many pathways to opportunity.*[9]

Evidence of our systemic failure is also seen in the overwhelming number of borrowers who cannot afford their monthly payments and the countless colleges that struggled to move from traditional modalities of education to online formats. Too many students finance their education with unaffordable debt they cannot repay. In a Pew survey conducted from August through September of 2020, nearly 6 in 10 borrowers said making their monthly student loan payments would be somewhat or very difficult if emergency temporary benefits were removed.[10] Now is the time to make the transformational changes required to open more pathways of opportunity and serve the best interests of students.

Any system that is unaffordable for students, impractical for employers, and a bad investment for taxpayers needs comprehensive reform. We cannot afford to rubber stamp a law first created over fifty years ago, or worse, ignore the lessons from past reauthorizations which compounded existing problems.

A MISSED OPPORTUNITY FOR BIPARTISANSHIP

Wholesale changes to federal postsecondary education policy require thoughtful consideration and collaboration with those from across the ideological spectrum. This is especially important when our constituents agree there is a significant problem in higher education. A 2018 Pew Research Center report found six in 10 Americans say that higher education is going in the wrong direction.[11] This viewpoint is generally agreed upon across the parties, as a majority of both self-identified Republicans and self-identified Democrats thought higher education was going in the wrong direction.[12]

Committee Democrats paid lip-service to bipartisanship over the course of five public hearings on HEA reform, but when it most suited them they reverted to political gamesmanship at the expense of students. As Committee Democrats so eloquently stated last Congress:

> *While stark differences in policy approach to reforming and reauthorizing the HEA remain, Committee Democrats*

[9] https://republicans-edlabor.house.gov/uploadedfiles/scott_d._pulsipher_wgu_-_ written_testimony_-_july_ 7_2020.pdf

[10] https://www.pewtrusts.org/en/research-and-analysis/articles/2020/11/03/outreach-from-borrowers-could-overwhelm-student-loan-system- when-pandemic-pauses-end

[11] https://drive.google.com/file/d/1p_pLX-JwdZNYPE5claH7pKMl2mEIApUg/view

[12] ibid

remain firm in their belief that there exists a bipartisan path forward to comprehensive HEA reauthorization that improves services and supports to ensure increased access to an affordable degree that leads to a good-paying job. Committee Democrats encourage the majority to abandon the hyper-partisan policies of H.R. 4508 and engage in bipartisan negotiations.[13]

Committee Republicans agree that there is a bipartisan path forward to comprehensive HEA reform and urge the majority to heed their own advice and abandon misguided partisan policies. Students, taxpayers, and employers cannot afford to perpetuate a broken federal law. Committee Republicans remain committed to working on bipartisan HEA reform legislation and urge Committee Democrats to negotiate in good faith for the American people.

CONGRESSIONAL BUDGET OFFICE ANALYSIS OF H.R. 4674 AND THE TRUE COST TO AMERICAN TAXPAYERS

Budget gimmicks have masked the true cost of federal student loan programs for decades. The Congressional Budget Office (CBO) recommends moving from budgetary estimate constructs under the *Federal Credit Reform Act of 1990* (FCRA) to fair-value scoring to more accurately account for the cost of federal credit programs. Fair-value scoring incorporates market risk, providing a more accurate and fiscally responsible way to account for liabilities hard-working taxpayers face through programs like the Federal Direct Loan program.

The inaccurate estimation of federal loan programs has resulted in poor policy, which has harmed the very students the HEA intended to benefit by burying them in excessive debt. CBO's May 2019 baseline for the student loan program compares the estimated budgetary costs of all the student loan programs under the FCRA to fair-value scoring. The baseline shows on a FCRA basis, four out of the five Direct Loan programs would yield savings and subsidized Stafford loans to undergraduates would be a cost to the government. Yet, on a fair-value basis, four out of the five Direct Loan programs would be a cost and parent PLUS loans would still produce savings under Fair-Value scoring. This difference between FCRA and Fair-Value illustrates the importance of using the accounting method that factors in market risk. The May baseline shows that over the next 10 years, the federal government will lose money lending to students regardless of which accounting method is used. FCRA estimates suggest a loss of $31 billion over 10 years while the Fair-Value estimate shows losses exceeding $306 billion over 10 years.

Increasing federal spending through hand-picked policies inefficiently redistributes taxpayer dollars according to the political whims of career politicians. H.R. 4674 is a perfect example of this as the bill funnels another $332 billion into a broken system already projected to cost Americans $300 billion dollars by 2029. This endeavor is unsustainable and irresponsible especially considering H.R. 4674 fails to properly scrutinize poorly performing postsecondary programs.

[13] H. Rept. 115–550, https://www.congress.gov/115/crpt/hrpt550/CRPT-115hrpt550.pdf

H.R. 4674 FAILS TO IMPROVE THE HEA ACCOUNTABILITY FRAMEWORK

H.R. 4674 further exacerbates an already dysfunctional marketplace by pouring $332 billion into a system without including higher expectations for the return on investment for students and taxpayers. A recent Pew Charitable Trusts report calculated that federal spending in higher education, not including loans and tax deductions, reached over $74 billion in 2017.[14] Tragically, this significant investment in higher education has done nothing to help improve the system for students.

Student outcomes continue to languish despite the increasing reliance on federal taxpayer funds. Fewer than 60 percent of students complete their program of study within six years.[15] That number drops to a meager 41 percent for students attending public two-year institutions.[16] Four in 10 baccalaureate-degree recipients are under-employed in their first jobs after school, with two-thirds of them still in a job that does not require a bachelor's degree five years later.[17] Fewer than two in five employers believe college graduates are well-prepared for a job in the field in which they studied demonstrating a clear disconnect between what is expected from institutions of higher education and the reality of student outcomes.[18] The disparity between outcome expectations and reality must be addressed through stronger accountability provisions in the HEA.

H.R. 4674 falls woefully short of establishing an accountability framework to increase economic opportunity for all students. For instance, the proposed adjusted Cohort Default Rate (aCDR) fails to improve the Cohort Default Rate (CDR), which is one of the few existing HEA provisions to supposedly hold colleges accountable. The CDR assesses how many former students default on their loans within three years of entering repayment and punishes schools with an overall CDR of 30 percent or higher, but this threshold is inadequate to change institutional behavior. Theoretically, the proposed aCDR holds colleges more accountable by addressing the issue of strategic forbearances.[19] However, this intended purpose is undermined because it carves out colleges with low borrowing rates even if the schools' borrowers are struggling with their debt burden. For instance, under current law, an institution with a 40 percent CDR and 20 percent borrowing rate would get kicked out of the Title IV eligibility pool. That same institution, because of the borrowing rate provision in H.R. 4674, would dodge any sanctions. Because the CDR is also a mechanism to ensure grant dollars are spent wisely, the aCDR's flawed borrowing rate exemption hampers policymakers' ability to judge taxpayer return on investment. The aCDR proposal also gives financial assistance and other breaks to Democrats' favored institutions of higher edu-

[14] https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2019/10/two-decades-of-change-in-federal-and-state-higher-education-funding

[15] https://nscresearchcenter.org/wp-content/uploads/Completions_Report_2019.pdf

[16] Ibid.

[17] https://www.wsj.com/articles/study-offers-new-hope-for-english-majors-1540546200

[18] https://www.forbes.com/sites/ccap/2014/08/06/are-recent-grads- prepared-for-the-workplace/#735d27796a37

[19] "Strategic forbearance" means when institutions or third-party companies acting on behalf of an institution encourage borrowers to enter into long-term forbearance to avoid having the borrower default in the three-year CDR window. https://www.gao.gov/assets/700/691520.pdf

cation, ensuring zero consequences for poor student outcomes at those institutions. This flawed policy means the bill puts the interests of some institutions over the interests of students. The Democrats' proposed aCDR is a toothless idea that would continue rewarding the institutions that ignore how their students fare after leaving campus.

Nothing captures the Committee Democrats' empty posturing of holding schools accountable more than the bill's proposed on-time repayment rate. While it is an interesting concept, the on-time repayment rate passes the buck to the Secretary of Education (Secretary) to determine the threshold to hold institutions accountable suggesting Democrat legislators do not want to be held responsible for legislating tough governing decisions. If there is a policy goal in mind, then the legislation should explicitly state in statute the threshold that institutions must meet to pass the rate. If Congress really wants colleges and universities to improve their service of students, then the colleges and universities need to have certainty about what measures they will need to meet. Instead, H.R. 4674 relinquishes this legislative authority to the executive branch to determine such an important metric under their accountability scheme. The negative consequences of deferring decisions to the executive branch in this way could vary dramatically depending on the whims of any particular Secretary at any particular time.

H.R. 4674 proposes to remove institutions' Title IV eligibility for schools that flunk arbitrary spending formulas. This is not so much an accountability metric as it is an accounting gimmick. Punishing institutions for expenditures does not have a direct correlation with whether students succeed. In the rush to bully institutions to spend money on Democrat priorities, the bill again fails to put forward an accountability system that puts students first.

The aCDR, on-time repayment rate, and college expenditure requirements all apply to an institutional, rather than programmatic, level illustrating how H.R. 4674 misses a prime opportunity to reform higher education. By moving to programmatic accountability, taxpayers and students alike could know they are investing in college programs that lead to stable outcomes. Institutional metrics, on the other hand, allow too many inferior programs to continue preying on students. Additionally, by forcing accountability metrics at the institutional level, hitting the metric becomes a death knell for any institution, creating pressure for special treatment. By keeping the metric at the program level, institutions have the opportunity to shut down or reform individual programs without the entire institution's fate hanging in the balance. Notably, there are indications that Committee Democrats recognize programmatic accountability as the superior policy in that H.R. 4674 imposes programmatic requirements on certain types of academic programs, mostly provided by career-focused proprietary institutions.

Committee Democrats, in their zeal to excuse disappointing federal higher education policy, establish oppressive metrics and nonsensical program participation requirements that target one sector of postsecondary education while ignoring the interests of the other

90 plus percent of college students.[20] While Committee Democrats appear focused exclusively on only one postsecondary education sector for oversight, Committee Republicans support accountability for all. Not only does H.R. 4674 establish a system allowing bad schools to continue harming students, but the relentless drive to eliminate taxpaying schools can lead to significant negative consequences for the students who have thrived after choosing to attend these institutions.

Committee Republicans do not understand why Democrats ignore the educational experience of nine out of every 10 students. Equally concerning is that by demonizing a sector of postsecondary education, Committee Democrats are condemning the efforts of the millions of Americans who are proud of their career-related postsecondary credential by insinuating that those students are incapable of making decisions that are in their best interests. Committee Republicans know many students are looking for the credentials and program flexibility that fit their lives rather than changing their lives to work within the antiquated and unfair ivory tower structures of the past. Proposals based on partisan passions instead of rational, long-term policymaking eliminates opportunities, options, and potential. Accordingly, H.R. 4674 propounds senseless policies that are contrary to the intent of the HEA.

Committee Democrats were inconsistent in applying certain accountability metrics such as high school earnings requirements in H.R. 4674, which requires academic programs that participate in the "Job Training" Pell Grant program have student earnings equal to or above the mean or median high school earnings. Although accountability metrics that are good for short-term programs should be applied across the board, Committee Democrats did not apply this provision to all programs at all institutions, perhaps because 54 percent of public institutions cannot show that the majority of their students are earning more than a high school graduate six years after enrollment.[21] This bears restating as most public institutions, which are the very institutions the Committee Democrat bill prioritizes over all others, cannot demonstrate that most of their students are earning more than a high school graduate.

Committee Republicans support accountability for every institution on behalf of every student. It is past time to ensure federal funds go to programs with the greatest chance of bolstering the economic prospects of students and their communities. Committee Republicans urge our colleagues to abandon these misguided policies and collaborate on bipartisan HEA reform that aligns the interests of students, institutions, employers, and taxpayers.

COLLEGE PRICES WILL CONTINUE TO SKYROCKET

True reform of the HEA has never been more important for American families as demonstrated by the current system which includes over 40 million Americans carrying over $1.5 trillion in federal student loan debt. There is some encouraging evidence that the student debt burden is manageable for the millennial generation, but there are no doubt negative consequences as many delay

[20] https://nces.ed.gov/programs/digest/d19/tables/dt19_303.70.asp?current=yes
[21] https://www.thirdway.org/report/higher-eds-broken-bridge-to-the-middle-class

important life decisions like buying homes, having children, and starting small businesses because of student loan payments.[22] The reforms included in the next HEA update will have lasting consequences on whether this debt burden continues to drag on the economy. Unfortunately, H.R. 4674 fails in this effort.

It is critical for Congress to reflect on how postsecondary education became so dysfunctional in the first place to identify the best ways of encouraging economic mobility. To that end, it is vitally important federal policy provide a framework to: address the underlying drivers of college cost; make the federal student aid system intuitive to access, understand, and complete; and best direct limited federal resources to those students who are most disadvantaged. H.R. 4674 misses the mark on all three accounts.

Federal Involvement Drives Up the Cost of College

H.R. 4674 will not reduce college costs for the vast majority of Americans. In fact, the bill exacerbates the reason tuition prices have skyrocketed and will harm low-income students who are trying to get ahead. Former Secretary of Education William Bennett once posited that easy access to federal subsidies meant colleges and universities would raise tuition prices knowing taxpayer funds would soften the blow of rising costs.[23] Independent analyses have found some evidence to support the Bennett Hypothesis, suggesting that federal student aid does lead to higher tuition costs for students.[24] Subsidized loans were the worst offender according to a study conducted by the New York Federal Reserve which found that subsidized loans have a pass-through rate of 60 cents on the dollar. Put another way, institutions raised their tuition relative to what would have been expected when the government offers higher subsidized loan limits.

Despite this evidence, Democrats seek to expand subsidized loans to graduate and professional students who are statistically likely to go on to join the wealthiest 25 percent of Americans.[25] When the maximum Pell Grant was $5,920 in 2017 18, it was 44 percent higher in inflation-adjusted dollars than it was 20 years earlier,[26] yet according to at least one left-leaning thinktank the "maximum Pell Grant covers the smallest share of college costs in the program's history."[27] Put simply, taxpayers have done their part to make college more affordable for students but institutions are either unwilling or unable to accordingly control costs.

Committee Democrats argue fiercely that federal funding has no impact on college prices while contending paradoxically that state disinvestment has a direct relationship to increasing college prices. The suggestion that money from one government source has no effect on college costs while funds from another government source are solely responsible for tuition hikes is nonsensical. Committee Republicans acknowledge state funding decisions over the last dec-

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[22] https://www.manhattan-institute.org/millennials-arent-all-drowning-student-debt
[23] https://www.jamesgmartin.center/2017/12/bennett-hypothesis-still-matter/
[24] David O. Lucca, Taylor Nadauld, & Karen Shen, Credit Supply and the Rise in College Tuition: Evidence from the Expansion in Federal Student Aid Programs, Federal Reserve Bank of New York Staff Reports (July 2015, Rev. Feb. 2017), https://www.newyorkfed.org/medialibrary/media/research/staff_reports/sr733.pdf
[25] https://www.urban.org/urban-wire/which-households-hold-most-student-debt
[26] https://research.collegeboard.org/pdf/trends-student-aid-2018-full-report.pdf
[27] https://ticas.org/wp-content/uploads/2018/07/Overall-Pell-one-pager.pdf

ade may affect college prices at some institutions, but proving causation in complicated institutional funding decisions is difficult to determine with certainty. There are limited analyses of the long-term trends in state postsecondary education investment, but there are two worth mentioning. The first is a study from Mikyong Minsun Kim of The George Washington University and Jongwan Ko of Sungkyunkwan University in Seoul, South Korea, who examined the effects of state policies on tuition at public universities between 1998 and 2007. The authors found that an astonishingly small rate of just 10 cents of every dollar increase in state public appropriations helps lower tuition for students.[28]

The second study including of over three decades of data, by Andrew Gillen of the Texas Public Policy Foundation, concluded:

- *There is no long-term trend of disinvestment in state funding per student.*
- *State funding is volatile, but within a narrow range.*
- *Colleges have never had more total funding than they do today, thanks in large part to sustained tuition hikes since 1980.*
- *There is no detection of the (weak) relationship between state funding cuts and increases in tuition in the [State Higher Education Finance] data.*[29]

Short term trends show similar results as data from the State Higher Education Executive Officers Association shows that in the five-year period from 2014 to 2019 funding at public institutions per student rose $882 but net tuition revenue increased $490 per student.[30] In other words, tuition rose despite an increase in state funding. Students were not beneficiaries from more government spending. Taken together, the evidence suggests that the problem of increasing tuition costs cannot be solved with more government spending. In fact, increased public spending may actually aggravate the problem.

At the same time, there is strong evidence of the impact of federal regulations on college costs as every dollar spent on compliance with federal laws and regulations is a dollar not being spent keeping costs low for students. H.R. 4674 adds costly new requirements on schools that either increase consumer prices or make proposed programs unaffordable for schools to offer. Indeed, some requirements established through laws and regulations are critical to protect students' rights and taxpayers' dollars, which is why it is even more important to evaluate each requirement that exists to keep what is needed and eliminate what is not.

Since the HEA was passed in 1965, the federal government has perpetually layered on extraneous requirements, reports, and rules that contribute to higher postsecondary education costs. For instance, as far back as 1997, Stanford University estimated the school spent $29 million on compliance costs.[31] In 2012, Hartwick College released a report finding the small institution spent seven percent of its non-compensation operating budget, or almost

[28] https://www.brookings.edu/research/the-disinvestment-hypothesis-dont-blame-state-budget-cuts-for-rising-tuition-at-public-universities/
[29] https://files.texaspolicy.com/uploads/2019/10/21124414/Gillen-The-Myth-of-State-Disinvestment-in-Higher-Education.pdf
[30] https://shef.sheeo.org/wp-content/uploads/2020/04/SHEEO_SHEF_FY19_Report.pdf
[31] https://www.help.senate.gov/imo/media/Regulations_Task_Force_Report_2015_FINAL.pdf

$300,000 annually and 7,200 labor hours, on federal reports and forms.[32] In 2015, Vanderbilt estimated the entire U.S. higher education system spends $27 billion a year complying with federal regulations.[33] This is robust evidence of the cost of federal requirements on colleges demonstrating how these tangible federal burdens are passed on to consumers and contribute to higher college costs.

As previously noted, even after a decades-long layering of extraneous federal red tape, H.R. 4674 makes matters worse. For example, the underlying bill adds extensive new requirements for institutions to track spending categories while imposing dozens of other new reporting requirements. The short-term Pell Grant program alone has six pages of requirements for every participating institution. Furthermore, H.R. 4674 forces institutions to create multiple new staff positions to carry out additional regulatory requirements. These well-meaning requirements are added to the HEA without a clear understanding of the respective necessity or cost. A serious HEA reauthorization process would have included significant bipartisan conversations about how to balance policy goals while limiting federal requirements and the excess cost passed along to schools and students. The Committee Democrats did not do that leaving H.R. 4674 with numerous requirements that would further increase college costs.

Handouts to the Wealthy Do Not Make Higher Education More Affordable

Student loan refinancing may be the most starkly regressive policy included in H.R. 4674. Research by New America on student loan refinancing, titled "In the Interest of Few," shows that more than half of the student loan refinancing benefit would go to households in the top two income quintiles.[34] The average borrower would save just $8 per month, which is a barely noticeable reduction for those students struggling to pay monthly bills.[35] If student loan refinancing were to pass, then borrowers in the highest earning households would save almost twice as much as lowest earning households because those with a lot of income tend to have graduate and professional degrees that required larger loans.[36] Additionally, it is known that, on average, Americans with a post-baccalaureate degree earn over $1 million more over their lifetimes than those with a high school diploma alone.[37] It is neither fair nor progressive to force the millions of struggling, low-and-middle income Americans who either did not go to college or worked hard to not borrow for college to help repay the loans of those who are set to enter a much higher income bracket. Federal student loan refinancing does not address the issue of rising college costs nor does it stem future acquisition of new student loan debt. In fact, it could

[32] *Ibid*.
[33] https://cdn.vanderbilt.edu/vu-news/files/20190417223557/Regulatory-Compliance-Report-Final.pdf
[34] https://www.newamerica.org/education-policy/policy-papers/interest-of-few/
[35] Ibid.
[36] Ibid.
[37] https://www.ssa.gov/policy/docs/research-summaries/education-earnings.html

aggravate the situation by signaling to the higher education system that the federal taxpayer will help bailout increased prices.

Borrowers truly struggling with repayment would be better served enrolling in an available income-driven repayment (IDR) plan. Unfortunately, H.R. 4674's attempt to reform IDR plans amounts to a massive new loan forgiveness program that would wipe away the debts of those with the ability to repay. The bill increases the exemption threshold used to determine affordable payments from 150 percent to 250 percent of the poverty line. To put this in perspective, whereas the typical baccalaureate degree borrower today[38] would fully repay the loan by making affordable monthly payments through the existing IDR plans, under H.R. 4674, that same borrower would have $25,473 of federal loan debt forgiveness paid for by the American taxpayer.[39] Committee Republicans prioritize fairness which includes not increasing the burden on the average American, who does not have a bachelor's degree, to pay for the college experience of a student set to earn hundreds of thousands of dollars more in lifetime income. In these ways, this represents yet another proposal that sounds like it is reducing college costs, but actually just shifts the costs to all taxpayers rather than individual students who chose to benefit from the pursuit of higher education.

Further ensnaring borrowers in the tangled web of forgiveness options, H.R. 4674 doubles down on a poorly designed program that has led to borrower confusion and frustration by creating retroactive borrower eligibility. The existing, inefficient Public Service Loan Forgiveness (PSLF) program poorly targets benefits with studies showing that borrowers with graduate and professional degrees with high earning potential benefit most from PSLF.[40] Loan forgiveness should be directed to those borrowers who truly need the relief. This point is underscored by the Urban Institute's analysis of American Community Survey Census data, which found that not only do most public sector occupations also exist in the private sector, but there is minimal difference in pay between the two sectors.[41]

Additionally, some institutions have abused the combination of unlimited Grad PLUS lending and unlimited forgiveness options through IDR and PSLF to increase costs and have the federal taxpayer pay virtually the entire cost of a student's higher education experience. In the case of one institution, the expected average amount a law school graduate from the institution will have forgiven because of current federal policies is around $158,888.[42] Taken together, these points illustrate how H.R. 4674's PSLF changes will force lower-and-middle-class Americans to shoulder the cost of educating the privileged. Committee Republicans oppose

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[38] The typical borrower is assumed to have approximately $28,000 of education debt with a starting salary of $35,000.

[39] https://www.aei.org/education/higher-education/democrats-double-down-on-a-sneaky-student-loan-forgiveness-plan/

[40] Testimony of Beth Akers, *Hearing on Challenges and Opportunities in Higher Education*. https://republicans-edlabor.house.gov/uploadedfiles/akers_written_testimony.pdf.

[41] Erica Blom, *Who does the Public Service Loan Forgiveness program really benefit?*, Urban Institute (Oct. 27, 2017), https://www.urban.org/urban-wire/who-does-public-service-loan-forgiveness-program-really-benefit.

[42] Alexander Holt and Jason Delisle, *Georgetown LRAP: In Their Own Words*, New America (Aug. 7, 2013), https://www.newamerica.org/education-policy/federal-education-budget-project/ed-money-watch/georgetown-lrap-in-their-own-words/.

perpetuating failed policies that are not targeted to helping those most in need. Instead, the Committee would have been wise to adopt Rep. Elise Stefanik's (R–NY) amendment to reform the loan forgiveness program in a focused and fair manner.

According to the Government Accountability Office, taxpayers are already destined to pay for forgiving $108 billion in loans disbursed between 1998 and 2016.[43] As mentioned earlier, even though taxpayers are already projected to lose over $300 billion dollars over the next 10 years on the loan program, H.R. 4674 increases that cost by at least $98 billion through proposed changes to refinancing, IDR, and PSLF programs. Their bill suggests that Committee Democrats believe there are unlimited federal resources to squander without consequence. In contrast, if Committee Democrats had collaborated with Committee Republicans to address these loan policy concerns, then bipartisan reforms to these programs could have been pursued in a fair and cost neutral manner.

"Free" College

H.R. 4674's headline-grabbing centerpiece plan to address inequality problems through the creation of a "free" community college federal-state partnership program is a regressive policy idea that will contribute to inequality. Committee Republicans oppose policies that benefit the wealthy at the expense of low-income households, especially when those policies are not "free" to state or federal taxpayers. The defects of this program are extensive. To begin with, it is unlikely that states could afford to participate in the program given the onerous state match and maintenance of effort requirements. The design of the program means the federal-state partnership leaves wealthier states at a significant advantage over poorer states, which may need more assistance to help their residents attain a postsecondary credential. Furthermore, the policy communicates that only some students in some states matter. As federal policymakers, our policy should focus on helping students regardless of what state they live in rather than creating costly new programs that support postsecondary systems in only select states.

Committee Democrats equate "affordable" for some students with "lowering costs," which are in many ways dramatically different concepts. Besides being an overreach of federal control over state and local decision-making, the requirements contained in the federal-state partnership would limit academic freedom and drive up the cost of doing business for participating states and institutions. Because the program is designed to funnel students into traditional two-year programs, students needing greater flexibility to accommodate work or home obligations, or program of study choices, would likely be unable to benefit from the "free" college proposal. H.R. 4674 would effectively shepherd students into a one-size-fits-all model, which is the opposite of what contemporary students need to succeed.

Several media outlets and interest groups claim that "free" college proposals would help low-income Americans attain a postsec-

[43] *Federal Student Loans: Education Needs to Improve Its Income-Driven Repayment Plan Budget Estimates*, U.S. Government Accountability Office (November 2016), https://www.gao.gov/assets/690/681064.pdf.

ondary credential, but in reality the proposed policy disproportionately benefits wealthy students.[44] Yet again, bipartisan collaboration could have included means testing the program to ensure those most in need benefit most from the program. Unfortunately, Committee Democrats excluded such commonsense improvements to the bill.

If Committee Democrats would like to encourage access to and successful completion of postsecondary education, then they should scrap "free" college program proposals that limit low-income students' institutional choice or compromise their freedom to even seek higher education.[45] The legislation promotes community college as the best option, but those schools may not always serve the best interests of all students. For example, the three-year default rate of community colleges is 17 percent, which is one percentage point higher than that of two-year proprietary colleges the Committee Democrats aim to legislate out of existence.[46] It is true that student loan defaults are a present challenge in all sectors of higher education, including community colleges, but the federal-state partnership program would set a damaging precedent of rewarding schools for below average outcomes.

H.R. 4674 Wastes Money Instead of Making College Affordable

Priorities are defined by where and how limited funding resources are spent. H.R. 4674 repeatedly diverts money to colleges over students, the privileged over the needy, and illegal aliens over middle-class Americans. H.R. 4674 gives tens of billions of dollars to institutions instead of investing directly in students and trusting individuals to follow the educational path best for them. Americans today and the students of tomorrow deserve better, which is why Republicans believe in a different set of core principles. We believe in responsible legislation that values economic opportunity. We believe in directing hard-working taxpayer dollars wisely so limited resources reach those most truly in need. We believe in ameliorating, rather than aggravating, the underlying causes of surging college costs. We believe in a simplified student aid structure that helps prepare students for rewarding careers. Committee Republicans stand ready to promote evidence-based and practical postsecondary education reforms to truly make college more affordable.

FEDERAL TAKEOVER OF HIGHER EDUCATION

H.R. 4674 demonstrates how Committee Democrats seek to drastically enlarge the federal role in postsecondary education. Instead of respecting the original and worthy purpose of the HEA, which is to provide everyone that so wishes the opportunity to pursue a postsecondary credential of his or her choice, Committee Democrats would limit choice and empower the federal government to make those decisions for students and families. In contrast, Committee Republicans would empower families and students to make their own choices. H.R. 4674 seeks to expand the federal government's role in higher education to limit academic freedom, turn state and

[44] https://www.thirdway.org/memo/why-free-college-could-increase-inequality
[45] Ibid.
[46] https://www.aei.org/education/the-left-gives-community-colleges-another-free-pass-for-unpaid-student-loans/

institutional decisions over to the Secretary, violate student privacy, and publicly shame those entities expressing constitutionally protected rights.

As previously mentioned, H.R. 4674 significantly limits academic freedom by cramming as many people into one of the so-called "free" college pathways even if a student would be better served by alternative options such as those provided by public flagship universities, private or independent institutions, or career-focused colleges. Successful federal policy should not be measured by how many people are coerced into a community college education but rather by how the federal government expands or encourages economic opportunity. The federal-state partnership fails on this measure. This proposal attempts to turn our voucher-like higher education system into a kind of higher education "No Child Left Behind" system controlled by the federal government. That did not work for elementary and secondary school students and it certainly will not work for students in the diverse postsecondary education marketplace. But H.R. 4674 goes one step further, denying students the right to use their federal student aid at the institution they believe works best for them. Committee Democrats limit options for incarcerated students and students seeking additional education who wish to attend a proprietary institution. H.R. 4674 further proposes onerous standards, qualifications, accreditor delays, state bureaucracy, and burdensome requirements for other schools interested in offering these critical programs. These shortsighted ideas would deny millions of poor and vulnerable students the opportunity to pursue the skills development needed to achieve 21st century success.

With H.R. 4674, Committee Democrats would also inject Congress into domains that are the responsibility of states and institutions, conditioning state participation in the proposed federal-state partnership on fulfillment of Secretarial requirements. One such requirement forces states to amend their laws to align K12 and postsecondary education academic standards. The bill forces accreditors to impose uniform bright line benchmarks for certain student achievement standards that the Secretary can increase at will, representing an abusive expansion of federal authority that would undermine the purpose of accreditation and disregard institutional diversity. The bill would empower unelected bureaucrats and the Secretary with setting academic standards, suggesting Democrats trust Washington officials with better understanding of what local communities need more than those that actually live there. Although Republicans oppose creating a national school board for higher education, Committee Democrats again disregard the sage truth that the closer one is to the problem, the closer one is to the solution.

H.R. 4674 brings "Big Brother" to life by violating the privacy of millions of Americans. Under the legislation, the Department will collect and house students' personally-identifiable information (PII), regardless of whether a student participates in the federal student aid system.

The Department, which is historically incompetent at protecting PII,[47] has no right to collect PII data on non-Title IV aid recipients and should never maintain a database of all students' PII. Not only is the proposed pathway for students to request access to their PII for inspection deeply concerning and ripe for abuse by fraudsters, but the bill entitles unelected bureaucrats to add more data points for collection without congressional approval setting up an entire data system ripe for overreach and abuse. There are better ways to leverage technology to provide the necessary data while maintaining a limited federal role. Committee Republicans believe that bipartisan compromise could yield a proposal that improves institutional accountability without compromising student privacy.

Committee Democrats propose bullying institutions that freely express their religion with H.R. 4674's proposal directing the Secretary publish a list of all schools receiving exemption from Title IX compliance for religious reasons. This provision emboldens people and entities with differing beliefs to harass those institutions and their students. Instead of promoting uniform belief systems, Congress should protect and respect the spirit and intent of America's foundation of pluralistic principles. It is also disappointing that H.R. 4674 makes no attempt to protect another First Amendment freedom of expression. With the rise of speech zones and codes, college campuses restrict where and when individuals can speak effectively silencing opposing speech and views that are essential to critical thought and expression. Free speech is central to a vibrant democracy, but students' First Amendment rights are regularly denied. Committee Republicans are disappointed that H.R. 4674 does not protect students' First Amendment rights.

H.R. 4674 offers hundreds of billions of dollars in new spending, but that money comes with more strings attached than a marionette. Committee Republicans urge Committee Democrats to craft a bipartisan HEA bill that charges those closest to the problems with finding solutions, returns the federal government to its proper role, and respects the rights and privacy of all students.

WIDENING THE SKILLS GAP

Connecting higher education and employers through federal policy is vital to encouraging a strong middle-class, which is why it is disappointing H.R. 4674 excludes reforms necessary to help close America's skills gap. The postsecondary education system is not delivering on its promise, and the disconnect between institutions, employers, and students has tremendous implications for the country's future. There are over 7 million unfilled jobs available, the demand for skilled workers is high, and these pressures are going to continue to rise. Middle-skill jobs, or positions that require education beyond high school but not a baccalaureate degree, will be the plurality of job openings (48 percent) through 2024.[48] The technological progress of society and increased work automation will re-

[47] For example, the IRS data retrieval tool, which hundreds of families use to fill out the FAFSA, was breached by identity thieves to steal PII. https://www.washingtonpost.com/news/grade-point/wp/2017/04/06/identity-thieves-may-have-hacked-files-of-up-to-100000-financial-aid-applicants/.

[48] https://www.nationalskillscoalition.org/resources/publications/2017-middle-skills-fact-sheets/file/United-States-MiddleSkills.pdf.

quire those in the workforce to learn new skills and adapt to different occupations. A report by the McKinsey Global Institute estimates that 166 million American workers, or up to 32 percent of the workforce, may need to switch occupational categories between 2016 and 2030.[49] Experts project that changes in educational settings are going to be necessary to help people stay employable in the workforce of the future. The National Academies of Sciences declared that the "education system will need to adapt to prepare individuals for the changing labor market"[50] and it is clear that American workers have internalized this insight. A 2016 Pew Research Center survey found that 87 percent of workers believe it will be important or essential for them to get additional education and develop new job skills throughout their work life in order to keep up with changes in the workplace.[51] Instead of going to college, getting an associate or baccalaureate degree, and not pursuing further education, many Americans now understand they must adopt a mindset of lifelong learning in order to get a job and stay employed.

Unfortunately, in their bill, Committee Democrats fail to reduce government restrictions and advance innovative practices that help students engage in life-long learning and transition quickly and cost-effectively from the classroom to a career. Despite a prime opportunity to propose bold reforms, H.R. 4674 discourages innovation and tethers colleges and universities to more limitations. The bill declines to fund earn-and-learn opportunities for students through the Federal Work-Study and institutional aid programs. Apprenticeship-style programs lead to high-wage, high-skill, and high-demand careers with little to no student loan debt, but such partnerships receive no funding in H.R. 4674. The bill does not permit otherwise ineligible organizations, such as employers, to provide more than 50 percent of the programming at a Title IV eligible institution even though allowing for more integration between business and school would significantly improve students' ability to transition to a preferred workplace.

Competency-based education (CBE) is a promising mode of education delivery that awards credit based on mastery of skills and information rather than time spent in a classroom. Not only can this method of learning decrease time and cost to attaining a postsecondary credential, but it is also a flexible model that fits into a students' schedule instead of forcing students to meet the rigid institutional scheduling demands of an institution. CBE is a bipartisan pathway that has been implemented by dozens of institutions for decades, yet Committee Democrats tepidly propose a do-nothing pilot program instead of creating a full CBE pathway in the HEA. The excessive, bureaucratic limitations in the Job Training Pell Grant program make the program unworkable. Although short-term stackable programs represent cutting-edge ways to produce qualified employees, increase completion rates, and lower college

[49] https://www.mckinsey.com//media/mckinsey/featured%20insights/future%20of%20organizations/what%20the%20future%20of%20work%20will%20mean%20for%20jobs%20skills%20and%20wages/mgi%20jobs%20lost-jobs%20gained_report_ december%202017.ashx.

[50] https://www.nap.edu/read/24649/chapter/1.

[51] https://www.pewsocialtrends.org/2016/10/06/the-state-of-american-jobs/.

costs, H.R. 4674 erects barriers for institutions and students interested in meeting workforce demand.

Rather than offering real solutions that better prepare students for work, Committee Democrats have offered yet another partisan proposal that fails to close America's skills gap and meet the needs of contemporary students and employers. In contrast, Committee Republicans offered several amendments during Committee consideration of the bill to address many of these deficiencies and help ensure the bill could do more to help connect workers to the innovative education needed to fill open jobs and close the skills gap. Unfortunately, Committee Democrats rejected all of them which is why Committee Republicans urge the majority to ditch their partisan bill and engage in true bipartisan collaboration to generate lasting solutions to economic and societal challenges.

COMMITTEE CONSIDERATION OF H.R. 4674

During consideration of H.R. 4674 there were several amendments offered. One bipartisan amendment offered by Reps. Donna Shalala (D–FL) and Mark Walker (R–NC) would study state licensing restrictions. Another bipartisan amendment was offered by Reps. Lori Trahan (D–MA) and Brett Guthrie (R–KY) to improve the net price calculator. There were also four amendments offered by Republican members that were adopted with bipartisan support, several of which were modified by Democrats before completion including:

- Rep. Glenn Thompson (R–PA) offered an amendment, with an improvement included from Rep. Haley Stevens (D–MI), to add Perkins career and technical education capacity-building as an allowable use of funds to the federal-state partnership proposal.
- Rep. Greg Murphy (R–NC) offered an amendment to require institutions to disclose when non-instructional spending increases by more than five percent year-over-year. The amendment also requires schools to disclose how such spending increases would impact tuition prices.
- Rep. Bradley Byrne (R–AL) offered an amendment, with a modification from Rep. Andy Levin (D–MI), that allows for Title III funds to be spent on dual enrollment and other uses to further the career success of students.
- Rep. James Comer (R–KY) offered an amendment to require institutions to disclose campus policies regarding required background checks for employees and volunteers. The amendment further requires campuses to conduct background checks for employees and volunteers working with athletes, children, and other youth.

Rejected Amendments to Improve the Bill

During consideration of H.R. 4674, Committee Republicans offered a comprehensive amendment in the nature of a substitute and dozens of other amendments to improve the bill that were unfortunately rejected by the Democrats. While Committee Republicans believe all the denied amendments are worthy of adoption there are several that highlight important issues emblematic of the Democrats' failed reform efforts:

• Rep. Lloyd Smucker (R–PA) offered an amendment to means-test the "free" community college program. As previously stated, "free" college proposals are regressive in that the program disproportionally benefits high-income households. Since Committee Republicans oppose policies that provide taxpayer-funded "free" college to the progeny of millionaires and billionaires, the amendment inserts the same income thresholds Committee Democrats use in their proposed IDR plan.

• Rep. Lloyd Smucker (R–PA) offered an amendment to edit the language of financial aid offers to reflect the bipartisan bill he introduced with Rep. Lori Trahan (D–MA). Earlier this Congress, Reps. Smucker and Trahan introduced a bipartisan bill to standardize some features of financial aid awards for students and H.R. 4674 incorporated most of the language but added several partisan provisions. The amendment sought to restore the policy to its bipartisan intent by offering subtle, reasonable tweaks to the legislation.

• Rep. Lloyd Smucker (R–PA) offered an amendment to prohibit registered lobbyists from receiving PSLF. If it must continue, the PSLF program should focus on borrowers who are directly helping individuals and communities, like public school teachers, law enforcement officers, nurses, and librarians who sacrifice their time and money to help others. On the other hand, registered lobbyists that actively seek to influence government actions should not receive taxpayer-funded loan forgiveness. It would be improper for Congress to knowingly provide such an expensive public benefit to well-paid, professional lobbyists.

• Rep. Elise Stefanik (R–NY) offered an amendment to replace PSLF with a State Workforce Incentive program. PSLF is a deeply flawed program and simply does not work. It is not means-tested. It rewards borrowers who borrow larger balances by granting unlimited forgiveness. It does not apply equally across all occupations. It leads to higher college costs. It is complex to navigate. All of which is in contrast to the program offered in this amendment. The State Workforce Incentive program provides an annual benefit. It is targeted to low-income borrowers working in in-demand occupations. It includes a streamlined, intuitive application process. It is tailored to the needs of local and state workforces. Despite these virtues, the Democrats advanced partisanship ahead of students' interests by defeating the amendment.

• Rep. Dusty Johnson (R–SD) offered an amendment to require institutions to certify that any practitioner at an institutionally-affiliated health care facility provide medical care to any infant born alive at such facility. Incredibly, during mark-up, a representative claimed to have "never seen such horrible amendments aimed at hurting children." Presumably, this Committee Democrat was not referring to this amendment. Every baby born in the United States deserves proper medical care. One might reasonably assume protecting vulnerable newborns to be a non-controversial, moral absolute. More than 75 percent of Americans agree that all newborns, regardless of desirability or vulnerability, should be given the same medical

treatment.[52] That there is anyone that would allow infants to be denied crucial medical care or killed at a health care facility is heartbreaking, yet this amendment failed on a party line vote.

• Rep. Fred Keller (R–PA) offered an amendment to strike the 85–15 rule from the substitute and the 90–10 rule from the underlying law. An accountability system should be applied equally to all institutions, not favoring one sector of higher education over another. The 85 15 rule has nothing to do with the quality of an institution and leads to higher costs for students. The policy proposal in H.R. 4674 significantly expands the sources that need to be counted to include all federal education assistance funds, including veterans and military education benefits. Veterans have earned their benefits and should be given as many choices as possible for where they can spend their benefits. This metric is completely arbitrary and placed unfairly on the one sector of higher education that is particularly flexible and capable of meeting the needs of local employers. It will also be catastrophic to students as Mrs. Chairman Bogue, Executive Director of Education Services at the Department of Veterans Affairs, asserted during a July 2019 Committee on Veterans Affairs hearing stating that if G.I. Bill benefits were included in the 90 percent calculation of the 90 10 rule, it "would potentially disrupt the education of 133 schools and 60,000 student recipients." The impact of the 85–15 rule will be devastating to the students served by proprietary institutions of higher education.

REPUBLICAN SUBSTITUTE

In lieu of bipartisan compromise from Majority Democrats, Committee Republicans offered a bold reform of the *Higher Education Act*, which represents an alternative proposal to address many of H.R. 4674's inherent deficiencies and put students, employers, and taxpayers first.

Students and families can no longer afford the status quo. The same tired idea of throwing more money into the existing system and expecting a different result is the very definition of insanity. Government overreach and unnecessary intervention has contributed to a bloated postsecondary education sector at the expense of students prompting a representative of the higher education sector to say that H.R. 4674 will "increase the cost of doing business for most institutions." [53]

The Republican substitute, known as the *High-Quality Opportunities in Postsecondary Education* (HOPE) *Act*, offers a better direction. The Republican substitute included major reforms to actually reduce costs and increase college affordability for students. The proposal incorporated elements reflecting what has worked and what needs to change in order to create a higher education system that puts students first. To accomplish this vision, the HOPE Act emphasizes the importance of completion, simplifies and improves

[52] https://www.sba-list.org/newsroom/press-releases/poll-77-percent-voters-want-congress-protect-babies-born-alive.

[53] https://www.washingtonpost.com/local/education/house-democrats-unveil-higher-education-plan-to-lower-college-costs/2019/10/14/9c8aedb6-eed2-11e9-89eb-ec56cd414732_story.html.

student aid, provides transparency in price and outcomes, and gets the federal government out of the way.

The HOPE Act would foster college affordability by:

- Creating a Pell Bonus to encourage on-time completion;
- Introducing financial rewards to schools with high rates of Pell recipient completion;
- Simplifying federal student aid into an intuitive one-grant, one-loan, one work-study structure;
- Granting schools the flexibility to start college completion grant programs to provide just-in-time aid to students at risk of dropping out;
- Mandating annual and robust loan counseling to help students understand their options, obligations, and future payment schedule based on anticipated occupation;
- Creating a central consumer-tested tool that sets straight the higher education marketplace by displaying key facts such as program-level debt and earnings information; and
- Repealing, streamlining, and striking dozens of unnecessary reporting requirements and burdensome and overreaching regulations.

The HOPE Act could help unite stakeholders to ensure high-quality education, reverse skyrocketing costs, and prepare students for lifelong success with a return on investment by:

- Creating an effective loan repayment rate that targets student aid to programs to help graduates repay their loans and pressure institutions to price their programs appropriately;
- Overhauling the antiquated statute to allow accreditors to focus on student learning and outcomes instead of institutional inputs;
- Empowering students and families to make informed decisions by providing prospective college goers important student outcome information, such as average debt and earnings of students of all programs for all institutions participating in federal student loan and grant programs;
- Directing a commission to study risk-sharing and recommend the best way to ensure institutions have skin-in-the-game with respect to student success; and
- Revising loan limits to put statutory caps on all types of borrowing and providing institutions the tools they need to reduce over-borrowing.

For a variety of reasons, including archaic federal higher education policy, the higher education landscape is remarkably resistant to change and innovation. Despite the proliferation of creative learning models and dramatically changing student demographics, most colleges and universities continue to use the same worn approaches to instructing students. Institutional rigidity and outdated federal rules have stifled new deliveries of education and empowered entrenched stakeholders' interests over the interests and needs of students. Institutions must innovate to meet the needs of contemporary students, and the federal government must remove roadblocks to this kind of student success. The HOPE Act would deliver true, innovative reform to meet students where they are in their lives by:

- Allowing innovative providers to collaborate with traditional colleges in offering educational programming to help students achieve rewarding careers;
- Creating a clear pathway for CBE programs to help students attain an affordable degree in less time;
- Fueling the future of career pathways by investing in short-term stackable credentials and earn-and-learn opportunities; and
- Breaking up the accreditation monopoly to allow disruptive entrants into higher education to promote competition and lower college costs.

The HOPE Act further prioritizes students by:

- Improving early aid awareness for low-income individuals wondering what options exist to finance postsecondary education goals;
- Simplifying the Free Application for Federal Student Aid to ease the annual experience of millions of families trying to access the aid needed to attend college;
- Expanding college access programs using evidence-based innovations to ensure these interventions use the latest and most successful methods to assist students;
- Eliminating origination fees to put more money in the pockets of borrowers;
- Capping total interest accrual on new student loans so borrowers can start families, be entrepreneurs, and invest in what matters most to them; and
- Expanding promising initiatives like pay-for-success and dual enrollment.

Fundamentally, the HOPE Act would lower the cost of college for students so they can complete an affordable program that prepares them for the workforce with the skills they need for lifelong success. With a widening skills gap, this is more important than ever. While the U.S. is currently experiencing an economic boom, boasting the lowest unemployment rate in 50 years, more can be done to promote universal opportunities for success. The HOPE Act embodies real solutions to address the skills gap by making substantial reforms to equip institutions with the tools needed to prepare students for successful careers and fulfill 21st century workforce needs.

Too many *Higher Education Act* reauthorizations have layered well-intentioned but impractical proposals on top of obsolete policies. Committee Republicans believe the next *Higher Education Act* reauthorization must adopt a different, innovative, and bold strategy. The HOPE Act represents a new, bipartisan, and collaborative direction, incorporating Republican and Democrat ideas to expand affordable higher education access, improve student aid, and encourage institutions to serve students better.

CONCLUSION

Americans have invested trillions of dollars and countless hours of hard work into higher education hoping to earn better career opportunities and live a fulfilling life. But the promise of postsecondary education in this country is broken. Unfortunately, today's chaotic maze of federal aid programs, requirements, and red tape

has needlessly escalated college costs and made pursuing and finishing a postsecondary education unworkable for far too many at a time when more employers are demanding postsecondary credentials for employees to fill technical, high-skill, good-paying jobs. Americans deserve better than H.R. 4674, which doubles down on the failed policies crippling our postsecondary education system. Committee Democrats' partisan scheme will cost hundreds of billions of dollars, limit educational freedom, increase the cost of college for students, and ignore the needs of those pursuing the American Dream.

The Chairman began the Congress by talking about the importance of bipartisanship, yet on this major legislation Committee Democrats once again showed their actions do not live up to their words. The pandemic highlights why Congress and the Majority must advance HEA policies that serve the best interests of students, families, and taxpayers. With true collaboration, this Committee can produce HEA reform that will increase affordability, hold bad actors accountable, and propel American ingenuity for the next generation.

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